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The Socialist Transformation of Agriculture

(Theory and Practice)



PROGRESS PUBLISHERS
MOSCOW

Translated from the Russian by S. Veehor-Shcherbovich

ВЛАДИМИР ФРАНЦЕВИЧ СТАНИС
СОЦИАЛИСТИЧЕСКИЕ ПРЕОБРАЗОВАНИЯ
СЕЛЬСКОГО ХОЗЯЙСТВА
На английском языке

First printing 1976

© Translation into English. Progress Publishers 1976

Printed in the Union of Soviet Socialist Republics

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CONTENTS

| | |
|---|-----|
| Introduction | 7 |
| <i>Chapter I. The Economic and Political Principles of the Socialist Transformation of Agriculture. Lenin's Co-operative Plan</i> | 11 |
| § 1. Substantiation of the Special Method of the Socialisation of the Basic Means of Production of the Peasantry | 11 |
| § 2. Lenin on the Employment of Co-operatives for the Socialist Transformation of Peasant Households | 25 |
| § 3. Solution of the Land Problem: the Most Important Prerequisite for Building Socialism in the Countryside | 38 |
| § 4. Economic Ties Between Town and Country: Primary Condition for Building Socialism | 57 |
| <i>Chapter II. Distinctive Features of the Organisation of Peasant Households into Production Co-operatives in the USSR and the Other Socialist Countries</i> | 75 |
| § 1. Collectivisation of Agriculture in the USSR | 75 |
| § 2. Peasant Co-operation in the Socialist Countries in Europe and Asia | 94 |
| § 3. Agricultural Artel: the Basic Form of Agricultural Production Co-operation | 126 |
| § 4. Role of MTSs and State Farms in the Development of Production Co-operation among Peasant Households | 134 |

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| § 5. Socialist Transformation and the Creation of the Material and Technical Basis of Socialism in Agriculture | 153 |
| § 6. Class Struggle in the Countryside During Production Co-operation | 162 |
| <i>Chapter III. Socialisation of Peasant Means of Production and the Establishment of Socialist Production Relations</i> | 173 |
| § 1. Emergence of Co-operative-Kolkhoz (Collective) Ownership of the Means of Production | 173 |
| § 2. The Emergence of the Socialist Forms of the Organisation and Remuneration of Labour in Production Co-operatives | 205 |
| Conclusion | 228 |

INTRODUCTION

The revolutionary experience in Russia after the Great October Socialist Revolution corroborates the conclusion drawn by the classics of Marxism-Leninism that, in spite of the great variety of forms and methods of building the socialist society, there are general regularities common to all countries moving towards a new life. One of these is socialist transformation of agriculture.

The ways and methods of building socialism in the countryside were elaborated by Lenin in his brilliant co-operative plan. He regarded the peasant question as a component of the general thrust of the proletarian revolution and the dictatorship of the proletariat. Before the October Revolution, Lenin worked out an agrarian programme in which he established that the victory of the revolution and the building of socialism are impossible without an alliance between the working class and the peasantry under the leadership of the proletariat.

Developing Marx's and Engels's ideas about co-operatives, Lenin established that the co-operative was the most simple, easy and accessible road to socialism for the peasantry. He theoretically substantiated the role of co-operatives in the socialist transformation of peasant households and formulated the main principles for the practical implementation of the co-operative plan. This is an important element of Lenin's plan for building socialism.

The USSR was the first country in the world to realise the socialist transformation of agriculture. The collectivi-

sation of agriculture was one of the most difficult tasks the Communist Party and the Soviet people accomplished after the establishment of the dictatorship of the proletariat. Thanks to the theoretical and practical activities of the Communist Party of the Soviet Union, much experience was accumulated in the revolutionary solution of the agrarian question, affecting the interests of millions of peasants. Without the solution of the agrarian question the victory of communism is impossible. The international significance of Lenin's co-operative plan and the experience of the Soviet Union in the socialist transformation of agriculture was demonstrated in countries, which later took the road of socialist development.

The fraternal countries, naturally, implemented Lenin's co-operative plan with due regard for local conditions. The main point in the experience accumulated by the Soviet Union and the other socialist countries is that in spite of minor differences, the principal process of production co-operation of peasant households is subject to general regularities.

Historians, economists and philosophers have dedicated many books to the worldwide historic significance of Lenin's co-operative plan and the experience of its implementation in the USSR and the other socialist countries. It is gratifying to note that in recent years studies in the history of collectivisation in the USSR have been stepped up, resulting in the appearance of many monographs analysing deep-rooted processes connected with the experience of the CPSU in guiding the highly complicated cause of socialist transformation of agriculture. Quite a few books tell the story of the Party's struggle against Trotskyists and Right opportunists who tried to impede the implementation of Lenin's plan for building socialism; these books sharply criticise modern bourgeois falsifiers of history and revisionists who distort the substance of collectivisation.

Among these books are S. P. Trapeznikov's two-volume monograph *Leninism and the Agrarian-Peasant Question* which analyses the most important questions in the history of collectivisation in the USSR and the experience of collectivisation. Historians and economists engaged in agrarian problems will find useful facts in P. I. Parshin's *Agrarian*

Revolution in Russia and in the collective monograph *Lenin's Co-operative Plan and the Party's Struggle for Its Implementation* edited by V. A. Golikov. Many facts about collectivisation as well as a scientific criticism of present representatives of anti-communism from the position of Marxism-Leninism are contained in G. V. Sharapov's monograph *Criticism of Anti-Communism in the Agrarian Question*. Interesting data and analyses of the various aspects of collectivisation can be found in the works by B. A. Abramov, F. M. Vaganov, V. P. Danilov and other historians.

The problems of the formation of socialist production relations in agriculture are reflected in the works by S. I. Sdobnov, P. A. Skipetrov, I. I. Kozodoyev, V. N. Yakovtsevsky and other economists. V. N. Starodubrovskaya, V. I. Storozhev, V. A. Zhamin and D. A. Stupov dedicated their works to the processes of socialist construction in the other socialist countries.

This book is an attempt to generalise the experience of the socialist transformation of agriculture in the USSR and the other socialist countries. The author focuses attention on the social and economic problems of this process, on revolutionary theory and practice. The analysis spans the period from the initial through the concluding stages of collectivisation.

The author's task was to demonstrate the epoch-making significance of the ideas incorporated in Lenin's co-operative plan, drawing the readers' attention to the principal point—that the socialist transformation of agriculture is an objective necessity dictated by the entire course of society's economic development. This is precisely why the study and generalisation of the experience accumulated by the USSR and the other socialist countries is of tremendous significance for revolutionary theory and practice.

CHAPTER I

THE ECONOMIC AND POLITICAL PRINCIPLES OF THE SOCIALIST TRANSFORMATION OF AGRICULTURE. LENIN'S CO-OPERATIVE PLAN

§ 1. SUBSTANTIATION OF THE SPECIAL METHOD OF THE SOCIALIZATION OF THE BASIC MEANS OF PRODUCTION OF THE PEASANTRY

As soon as the working class takes political power into its own hands, its primary task is to eradicate the production relations inherent in the bourgeois society. On this basis, the dictatorship of the proletariat executes its principal creative function—that of building socialism. The whole course of society's development and the laws governing the development of capitalism predicate the need to replace capitalism by socialism.

In *Capital*, Karl Marx, studying the laws governing the emergence, development and downfall of capitalism, demonstrated the historical tendency in the development of the capitalist mode of production which is caused by inner contradictions. These latter inevitably lead to objective and subjective prerequisites for the downfall of capitalism and its replacement by communism. The entire course of capitalist accumulation, concentration of capital and production leads to the development of the social division of labour expressed in the growth of the specialisation of production, and the appearance of many new industries, closely intertwined and mutually dependent. This results in a socialisation of production wholly incompatible with private capitalist appropriation. Nowadays the pillars of capitalism are tottering more than ever. Lenin pointed out that monopoly capitalism brings the socialisation of production to the extreme point where the revolutionary transformation of capitalism becomes an imperative need for the further development of society's productive forces. The concentration of production

and the social character of productive forces have reached the level at which it is necessary to expropriate the bourgeoisie, link the proletariat with the means of production and, on this basis, develop a new and progressive social form for the development of productive forces.

How is capitalist property being transformed into socialist public property? Marxism-Leninism teaches us and practice proves that there are various forms and methods of doing it, depending on concrete historical conditions. In the USSR and the other socialist countries the socialist transformation in capitalist industry and trade was done by the nationalisation of the basic means of production. In the USSR, nationalisation was carried out without any compensation. In the European socialist countries, part of the means of production was expropriated without indemnity, while compensation was paid to the national bourgeoisie for another part of the nationalised means of production, but even then nationalisation was obligatory.

Some socialist countries broadly applied the system of state capitalism under which the socialist state buys out the enterprises, thus gradually eradicating private property and ultimately socialising the means of production, i. e., the same results are achieved as under nationalisation.

The expropriation of the bourgeoisie is not merely an act of supreme justice, it is prepared by the entire course of the evolution of capitalism creating the objective groundwork for the eradication of private capitalist property.

Socialist nationalisation consolidates and further develops the economic gains of the people. The big bourgeoisie is deprived of the means of production, while the people's democratic state acquires a strong economic foundation for the socialist transformation of the entire economy.

As a result of the nationalisation of industry in the USSR, the working class guided by the Communist Party quickly eliminated the economic dislocation, restored the economy, industrialised the country and ensured the victory of socialism.

It is on this basis that the economic laws of socialism begin to work already during the transitional period from capitalism to socialism: production is subsumed to the needs

of the people and the necessity⁷ and possibility emerge for the balanced development of the economy, primarily of industry. The emerging system of nationwide accounting and control of production and distribution enables the socialist state to introduce socialist forms of production management. The law of the conformity of production relations to the nature of the productive forces also is in force. But, as we know, this law requires the eradication of obsolete production relations and the introduction of new, socialist production relations, both in industry and agriculture. The law of conformity demands that capitalism be abolished. However, capitalism represents a system of production relations which encompass both industry and agriculture. So the question arises: is it expedient to apply in agriculture the same methods of the socialisation of the means of production as in industry, and when is this socialisation most appropriate?

To answer this question, we must begin with the fact that there is a numerous class of petty and middle peasant producers in the countryside and that there is a distinction between the development of capitalism in industry and agriculture. In industry, the concentration of production and centralisation of capital almost completely oust and ruin petty producers; millions of them are alienated from the means of production and become hired workers. In agriculture, there is also a constant growth in the concentration of the means of production accompanied by an offensive launched by big enterprises against small undertakings.

Just as in industry, large-scale production in agriculture is undeniably more advantageous than small-scale production. Small-scale production cannot be examined in isolation from capitalist industry or large-scale capitalist enterprises in the countryside. The capitalist economy as an entity develops in conformity with the laws of the capitalist mode of production. Since small-commodity production is incorporated in commodity-capitalist relations, it cannot successfully compete with large capitalist farms characterised by higher labour productivity, lower per-unit cost of farm products, and better opportunities and conditions for increasing accumulation.

Citing concrete data on the United States, Germany, Russia and other countries, Lenin established that capitalism is unavoidable in the development of agriculture and that, consequently, the enlargement of agricultural enterprises, on the one hand, and the ruin and disappearance of small peasant households, on the other, are an objective necessity. This process is typical for all capitalist countries. The concentration of agricultural production in the capitalist countries has been particularly intensified during the last decade due to the technical and economic reorganisation of large-scale agricultural production. This process is determined by the increasing subordination of agriculture to monopolies which, by speeding up the concentration of capital and production, sharpen the edge of competition both in the domestic and the world capitalist agricultural markets.

The increased technical facilities, application of chemicals and biochemical research have resulted in a speedy growth of the organic structure of capital and a considerable rise in labour productivity in agriculture, of necessity accompanied by the mass bankruptcy of small and medium peasant households, the competitive position of which deteriorates constantly. Millions of peasants and farmers are unable to take advantage of technological progress and scientific achievements for the latter require sizeable capital investments. So the peasants cannot evade the ruin which inevitably draws them to towns where they swell the army of unemployed. The operation of the law of the concentration of production in agriculture in the capitalist countries gradually ousts and destroys small- and medium-scale production. Back in 1913, Lenin, having analysed a vast amount of information, proved that "petty production in agriculture is doomed to extinction and to an incredibly abased and downtrodden position under capitalism".¹ The economy of modern capitalism corroborates once again Lenin's conclusions about the ruin of millions of small and medium peasant households.

But the alienation of small producers from the means of production proceeds much more slowly in agriculture

¹ V. I. Lenin, *Collected Works*, Vol. 19, p. 280.

than in industry. It sometimes lasts for decades and even centuries. Consequently, although the basic tendency of capitalism in agriculture is also to oust small producers and replace them by large-scale producers, a numerous class of small and medium peasant commodity producers continues to exist in even the highly developed capitalist countries, excluding Britain. This class plays an important role in the economic and political struggle against capitalism. Marxism-Leninism proceeds from this fact in its approach to the agrarian question and in the determination of the role of the peasantry in the revolutionary process of replacing capitalism by socialism.

Marx and Engels said that it was necessary to combine the proletarian revolution with the peasant revolutionary movement and to win the peasants over to the side of the proletariat. They believed that if the party of the proletariat wants to win political power, i.e., to establish the proletarian dictatorship, it should win over the peasant masses and lead the proletariat together with the peasantry to the conquest of political power, not waiting for the time when capitalist production will reach its peak in all fields or "until the last small handicraftsman and the last small peasant have fallen victim to capitalist large-scale production".¹

The classics of Marxism frequently pointed to the necessity of joint actions of the working class and the peasantry in the struggle against the bourgeois system. They stressed that the peasantry would surely join the proletariat in this struggle. This is what Engels wrote: "It is true that a time will come when the fleeced and impoverished section of the peasantry will unite with the proletariat, which by then will be further developed and will declare war on the bourgeoisie."²

Lenin expanded Marx's and Engels's idea of the alliance of the working class and the peasantry and successfully defended it against West European and Russian opportunists and revisionists. The theoreticians of the Second Interna-

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 472.

² K. Marx and F. Engels, *Werke*, Band 4, 1969, S. 499.

tional were the most inveterate opponents of this alliance. They did not believe in the revolutionary potential of the semi-proletarian masses in town and country and asserted that the proletariat would fight against the bourgeoisie in the socialist revolution all alone, without any allies, and that therefore the socialist revolution would be made possible only after the proletariat would account for the bulk of the nation and society.

In Russia, the position of Western Social-Democrats on the peasant question was firmly upheld by G. Plekhanov. He did not understand the Marxist thesis on the combination of the proletarian revolution with the peasant revolutionary movement because he believed that the peasantry was conservative, incapable of an alliance with the proletariat. This error stemmed from a misconception of the economic and class nature of the peasantry. G. Plekhanov and his Menshevik followers overestimated the revolutionary potential of the bourgeoisie and, accordingly, assigned the principal role in the first Russian revolution to the bourgeoisie, rather than to the proletariat and the peasantry, regarding the bourgeoisie as the motive force of the revolution. Speaking about the erroneous tactics of Mensheviks in the first Russian revolution, Lenin stressed that it meant "a failure to understand that only 'an alliance between the proletariat and the peasantry' can ensure the victory of this revolution".¹ Trotsky was also a rabid opponent of the alliance between the working class and the peasantry. He regarded the peasantry as a solid reactionary mass which could play no role in the revolution. It is precisely on this basis that Trotsky refused to accept the possibility of the victory of the revolution and the building of socialism in Russia without a socialist revolution in West European countries. Trotsky proceeded from this submissive position at all stages of his ideological struggle against Leninism. He tried to impose on the Communist Party a policy of crude pressure against the peasantry; in essence, the measures that he proposed were directed at the eradication of the peasantry as a class.

¹ V. I. Lenin, *Collected Works*, Vol. 13, p. 428.

Proceeding from the social and economic analysis of the development of capitalism in Russia, Lenin demonstrated the class nature of the peasantry and indicated that this nature predetermined its revolutionary potential which the proletariat and its Party were to employ in the interests of the dictatorship of the proletariat.

Leninism regards the peasant question as a component of the general question of the dictatorship of the proletariat. Lenin proved that the peasantry can and must be the proletariat's ally in the revolution and that the dictatorship of the proletariat is a specific form of class alliance between the proletariat and the peasantry for the eradication of all forms of exploitation and for the victory of socialism. The great revolutionary force of the proletariat's alliance with the peasantry is founded on the proletariat's leading role in this alliance. Leninism teaches that therein lies the supreme principle of the dictatorship of the proletariat.

The development of capitalism has prepared the proletariat for the role of advanced fighter and leader of the whole people in the battle against capitalism and all forms of oppression of man by man. It does not matter whether the proletariat constitutes the majority in the given country—a point played up, in determining the fate of the socialist revolution, by West European Social-Democrats, and their colleagues: Russian opportunists, Mensheviks and then Trotskyists and other enemies of Marxism-Leninism. The fate of the proletarian revolution depends on the degree of the revolutionary maturity, the organisation and consolidation of the proletariat which, in turn, depend on the social and economic conditions and the existence of a mature Marxist-Leninist party of the working class. This creates the possibility of forming an alliance of the working class and the peasantry enabling the proletariat to realise its historical mission of liberation.

Lenin regarded the peasant masses, who fought for land and democratic rights, as a reserve force in the proletarian revolution. In the age of oppression by capitalist monopolies it is not only the proletariat that suffers; the petty bourgeoisie, the middle segments of urban population and the intelligentsia also suffer. The struggle for socialism, there-

fore, inevitably turns into a struggle for democracy. In these circumstances, the actual interests of the majority of the working people are expressed by the proletariat; so the peasantry forms an alliance with it.

The solution of the problem of small farm-owners under the dictatorship of the proletariat is of particular importance for the consolidation and development of the alliance of the two classes. In Russia and other countries, the development of capitalism and the concentration of production in agriculture on the eve of the dictatorship of the proletariat had not yet wiped off millions of small and medium peasant households, i.e., the socialist revolution took place when there were still two forms of production. In industry, there was the large-scale production in which the process of production itself and the character of the productive forces demanded a transformation of the private capitalist form of property into public ownership of the means of production. Having expropriated the capitalists, the dictatorship of the proletariat met this demand and furnished the basis for new, socialist production relations.

However, the realisation of the law of the conformity of production relations to the character of productive forces in industry alone could not bring about the triumph of socialism in the entire economy. The socialist basis, which appears as a result of the nationalisation of industry, cannot successfully develop if there is a multimillion class of small producers in the villages, a class that serves as a firm foundation for the constant genesis and development of capitalist elements.

Having exposed the dual nature of the peasant as a small commodity producer, Marxism-Leninism proved that the commodity-capitalist tendency of development is inherent in small peasant economy. This tendency is expressed in the differentiation and disintegration of the peasantry into a handful of village kulak-capitalists and the mass of proletarians and semi-proletarians.

After the victory of the socialist revolution, the character of this differentiation changes substantially. The socialist state can restrict the development of kulak households by means of a corresponding economic policy. However, it is

impossible to eradicate the capitalist elements in the countryside completely as long as there exists small commodity production—the soil which feeds them. Lenin stressed time and again that the power of capital lies in the power of small-scale production, which spontaneously and relentlessly gives birth to capitalism and the bourgeoisie on a mass scale. Therefore, if we want a complete destruction of the source generating capitalism, we must transform the private property of the peasant into public, socialist property.

The dictatorship of the proletariat is accompanied by a contradiction, new in its social and economic essence, between the large-scale socialist industry and the small-scale peasant economy in the villages. This contradiction exists during capitalism too, but in the latter case it is resolved by the constant concentration of capital in the hands of a few big proprietors, on the one hand, and the ruin of the masses of peasants, on the other. This is the capitalist method of enlarging agricultural production and the manifestation of the leading role of capitalist industry in the development of the entire economy in the capitalist countries.

The contradiction between large-scale socialist industry and small peasant economy during the transitional period from capitalism to socialism is quite different. Under the dictatorship of the proletariat and public ownership of the key means of production in the entire economy, this contradiction is resolved in an altogether different manner. The acceptable way lies through the enlargement of agricultural enterprises, that is, by setting up socialist enterprises in villages based on socialist ownership.

This course complies with the law of the conformity of production relations to the character of productive forces which requires the social instead of private capitalist form of ownership in both industry and agriculture. Otherwise there can be no conformity between the productive forces and the social form in which they are developing at the given level of development and with the prevailing nature of social production. This course allows for an expansion of the sphere of operation of the principal economic law, the law of the planned, balanced development of economy, as

well as of the other economic laws of socialism in agriculture.

True, the principal economic law of socialism also makes an impact on agriculture. This is primarily expressed in the changing differentiation in the countryside, i.e., in an increase in the number of middle peasants. But in conditions of small commodity production, the peasantry remains in the clutches of poverty. Only the transition to large-scale socialist production, which opens up broad vistas for the development of the productive forces in the countryside, creates the required conditions for the growth of production and improved well-being of the peasantry. Speaking about the necessity for the transition from a small peasant economy to large-scale socialist production in the countryside, Lenin pointed out: "The way to escape the disadvantages of small-scale farming lies in communes, artels or peasant associations. That is the way to improve agriculture, economise forces and combat the kulaks, parasites and exploiters."¹

Thus, the objective necessity for the socialist transformation of agriculture is predetermined by the law of the conformity of production relations to the character of the productive forces. However, each country building socialism has its specific conditions for the development of production and economic relations. These conditions are connected with the level of the development of productive forces and the degree of maturity of capitalist production relations. Therefore, it is theoretically and practically very important to examine the operation of this law in each country concerned.

Socialist enterprises (state farms and collective farms) began to appear in the very first years after the October Socialist Revolution. The authors of some books assert that there was no economic need for their emergence, yet the fact that these enterprises were developing and increasing in number cannot be denied. In our view, the authors of these books are confusing the objective economic trends, which predetermine the necessity of the socialisation of the means of production and the specific forms of this socialisation in agriculture, with the economic policy which reflects the requirements of economic laws.

¹ V. I. Lenin, *Collected Works*, Vol. 28, p. 175.

In the first place, they confuse two different questions—the question of the emergence of the historical necessity for the socialist transformation of agriculture and collectivisation as the method of attaining this transformation, and the question of choosing the moment for the transition to complete mass collectivisation, the moment which was predetermined by the creation of material prerequisites for such an undertaking.

It is hard to agree with the assertion that by 1927 new productive forces requiring new, socialist relations had been created in the countryside as an offshoot of the first years of industrialisation. The first accomplishments of industrialisation had indeed given birth to new productive forces in agriculture, but they were developed to the full only after the socialist transformation of agriculture had been completed. The new productive forces, based on machine technology, could not acquire a dominant position in agriculture prior to mass collectivisation. Most of the collective farms in the USSR at that time had nothing but draught animals; all work was done by hand. Even at the end of mass collectivisation, most collective farms stood only at the initial stage of development.

To furnish agriculture with implements matching the potential of the productive forces in industry, it was first necessary to establish new, socialist production relations in the countryside. Only that could stimulate the development of new productive forces in the countryside, and of national economy as a whole. The socialist production relations became the prime mover in the entire economy only after the establishment of socialist production relations in the countryside.

Thus, during the transitional period from capitalism to socialism, the countryside of small peasants is inevitably to follow the towns on the road to socialism. However, just as in the case of towns, the socialist reorganisation of villages cannot be spontaneous because small commodity production, in essence being of the same type as capitalist production, can develop spontaneously only along capitalist lines. The countryside develops along socialist lines through the conscious activity of the broad masses

of peasants under the leadership of the working class which, holding commanding heights in the economy, leads the peasantry along the road of socialist transformations.

The peasantry is an ally of the working class in the construction of socialism. Therefore the socialisation of peasant means of production must contribute to the further consolidation and development of the alliance of workers and peasants. If that is the case, can the socialist states and the Marxist-Leninist parties undertake the socialisation of the means of production in agriculture by expropriating the toiling peasants? No, they cannot. Nevertheless, in the first years of Soviet power, the Trotskyists insisted precisely on the expropriation of the toiling peasants and on turning them forcibly into workers of state agricultural enterprises. This course was a logical outgrowth of Trotsky's entire preceding struggle against Lenin's teaching about the alliance of workers and peasants.

The peasantry is a class which, on the one hand, bases its economy on the private ownership of implements and means of production and, on the other, on personal labour. The toiling peasant does not exploit the labour of others. Marxism-Leninism regards the alliance of the working class and the peasantry under the dictatorship of the proletariat as an alliance with the toiling peasants exclusively. Therefore, when anyone poses the question of a possible expropriation of peasant property by the proletarian state, it primarily concerns the toiling peasants—the proletariat's ally in the construction of socialism. The Leninist Party can never approve such a policy.

The basic principles of the proletariat's attitude towards middle peasants after the establishment of the dictatorship of the proletariat were set forth by Marx and Engels. Engels frankly said that "when we are in possession of state power we shall not even think of forcibly expropriating the small peasants (regardless of whether with or without compensation), as we shall have to do in the case of the big landowners."¹

Engels added that the proletariat would not interfere

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 470.

in the economic relations of peasants against their will.

Lenin stressed time and again that there should be no coercion in respect to the middle peasants. He said that a clear dividing line should be drawn between the toiling peasant and the kulak who exploited hired labour. In respect to the property of the latter, the proletarian state could and should employ coercive measures. With the kulaks the working class cannot and must not make any peace, but with the toiling peasants "they may seek, and are seeking, an agreement."¹ Lenin said that the workers' government had never infringed and would never infringe the middle peasant.

Consequently, the method of the socialisation of the means of production in agriculture must take into account the specific nature of middle peasants as a class of small commodity producers. This method must consolidate rather than undermine the alliance of workers and peasants.

The Marxist-Leninist parties, therefore, cannot undertake the expropriation of the peasants' means of production.

The expropriation of the means of production by the proletarian state is unacceptable to the peasants because it runs contrary to their interests as petty producers and would generate enmity towards the working class. The Soviet state, far from intending to expropriate or buy out peasant property, did not even start to organise state production on all former landed estates, though it was economically expedient and profitable to set up state farms on those estates. The Communist Party of the Soviet Union put the principal accent on the consolidation of the alliance between the working class and the peasantry. After the victory of Soviet power, the peasantry wanted the land after which it had hungered for many centuries. This is why the Soviet state handed over to them a considerable portion of former landed estates. The other socialist countries in Europe and Asia handled the problem of disposing of most of the land and inventory, confiscated from the landlords, in a similar manner.

Addressing the Eighth All-Russia Conference of the RCP(B), Lenin pointed out that it would be wrong to say

¹ V. I. Lenin, *Collected Works*, Vol. 28, p. 57.

that "state farms must be the basis of our communist construction". He added: "Under no circumstance can we organise our affairs in that way. We must accept the fact that we should convert only a very small part of the progressive farms into state farms, otherwise we shall not effect a bloc with the petty peasants—and we need that bloc".¹

From this it is clear that Soviet power could not immediately organise state production either on all the land or even on all former landed estates because it ran counter to the interests of the alliance between the working class and the peasantry.

The socialisation of peasant means of production by expropriation was also contrary to the principal law of socialism. Although the sphere of its operation does not encompass individual peasant households, it acquires full force in the socialist sector after the establishment of state (people's) ownership in the key means of production. Thus, the basic economic law of socialism becomes the determining factor in the development of the entire economy. The main essence of the newly developed socialist production relations was expressed in the subordination of production to a new goal—the most adequate satisfaction of the material and spiritual needs of all members of society. Hence, the principal economic law of socialism could not but indirectly influence the development of individual peasant households. This was manifested in the fact that with the socialist mode of production, playing the leading role in the economy during the transitional period from capitalism to socialism, the peasant economies could fully utilise the existing opportunities for raising labour productivity and improving, to a certain extent, their material position.

It is precisely the operation of the principal law of socialism and the law of planned, balanced development of economy that makes impossible, in conditions of the dictatorship of the proletariat, such a development in which the higher form of economy (large-scale enterprises) destroys small-scale economies—an inevitable process under capitalism. It is already during the transitional period from

¹ V. I. Lenin, *Collected Works*, Vol. 30, p. 193.

capitalism to socialism, that there appear, on the basis of socialisation of the basic means of production, conditions for transforming the lower forms of economy (peasant households) into higher forms (collective farms). The higher form of economy helps the lower form to utilise all opportunities for development and for changing over to large-scale collective farming, thus for ever freeing the peasantry from ruin and poverty.

It is clear that the socialisation of the means of production in the countryside had to follow a different course than in industry. This course had to be acceptable both to the peasantry and the working class. It had to take into consideration the class nature of the peasantry and to consolidate the alliance of the working class and the peasantry. At the same time, the method of socialising the means of production had to promote the gradual mobilisation of peasants for building socialism.

The concrete form of the socialisation of the means of production of small and medium producers is the formation of co-operatives, i.e., the collectivisation of agriculture leading to the creation of social, collective ownership in the countryside. This road of building socialism in the countryside was theoretically substantiated by Lenin in his co-operative plan which has become the programme for all Marxist-Leninist parties in the construction of socialism in the countryside.

§ 2. LENIN ON THE EMPLOYMENT OF CO-OPERATIVES FOR THE SOCIALIST TRANSFORMATION OF PEASANT HOUSEHOLDS

Peasant household production co-operation is the most important component of the plan for building socialism in any country choosing the road of socialism. This method of socialisation of the means of production takes account of the class nature of the peasantry and helps to draw it into the work of socialist construction without crude violations of the customary mode of economic life, i.e., this road gradually leads the peasantry to communist relations.

The idea of utilising co-operatives for the socialist reorganisation of peasant households was first advanced by Marx and Engels. The founders of Marxism foresaw that during the transition to the communist economy it would be necessary to utilise co-operative production as an intermediate link.

Having advanced this idea, Marx and Engels stressed that the peasants had to agree to work in such co-operatives. This is what Engels wrote about the need for voluntary association of petty peasant households: "Our task relative to the small peasant consists, in the first place, in effecting a transition of his private enterprise and private possession to co-operative ones, not forcibly but by dint of example and the proffer of social assistance for this purpose. And then of course we shall have ample means of showing to the small peasant prospective advantages that must be obvious to him even today".¹

The founders of scientific communism attributed great significance to state support for the co-operative movement. This support, relying on the method of persuasion (force of example included), was to prompt the peasant to take the road to socialism. In his *Konspect von Bakunins Buch*, Marx said that "the proletariat ... in governing must take measures which lead to a direct improvement of his [peasant] condition, and which, consequently, win him over to the side of the revolution. From the very outset these measures must facilitate the transition from private to collective land-ownership, so that the peasant himself comes to it through economic means".²

In *The Peasant Question in France and Germany*, Engels explains in detail the Marxist attitude towards the methods of the socialist transformation of peasant households. Unlike big landowners who must be expropriated by the proletariat (buying out of land is to be tolerated under certain conditions), the small peasant is to become an ally of the proletariat, so no coercion can be practised against his property. Taking into account the inclination of small peasant towards

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 470.

² Ibid., Vol. 2, p. 411.

private economy and his psychology of petty proprietorship, the proletarian state must "make the peasants understand that we can save, preserve their houses and fields for them only by transforming them into co-operative property operated co-operatively".¹

Marx and Engels proceeded from the possibility of setting up production associations on both nationalised and non-nationalised land. But they stressed that in both cases their economic activity must be strictly controlled by the proletarian state. The society (state) must retain the ownership of the means of production so as to preclude domination by the private interests of co-operative associations over the interests of society as a whole. The classics of Marxism stressed that only in such conditions would the co-operatives be socialist in character.

Lenin further developed and theoretically substantiated this idea in his co-operative plan which he drew up during the Communist Party's struggle against the ideological adversaries of Marxism-Leninism, during the struggle to win over allies for the proletariat. The Party waged a struggle against anti-Marxist views on co-operatives, and it elaborated its own programme of concrete forms and methods for using co-operatives in building socialism in the countryside.

Long before the October Revolution, Lenin not only defended the ideas of Marx and Engels about the employment of co-operatives under the dictatorship of the proletariat, but also began to draw up the co-operative plan, one of the principal theoretical theses of which is the analysis of the differences between the socio-economic nature of co-operatives under capitalism and under the dictatorship of the proletariat. He disclosed the nature of co-operatives under capitalism, proving that it was capitalist in essence (cf. "Capitalism in Agriculture", "The Agrarian Question and the 'Critics of Marx'", "To the Rural Poor").

In these works, Lenin sharply criticised the opportunist and reformist views of the Narodniks, "legal Marxists", Socialist Revolutionaries and Mensheviks who held that

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 471.

co-operatives were a means of "peaceful transition" to socialism in bourgeois states. Lenin exposed the reformist, utopian and reactionary essence of the theories advocated by the theoreticians of the Second International in regard to the "non-class" nature of co-operatives. These anti-Marxist arguments on the ostensibly non-capitalist nature of co-operatives and the possibility, with their aid, of transforming capitalism into socialism by peaceful means generated illusions about the possibility of eradicating exploitation without the proletarian revolution and without the overthrow of the ruling classes.

The primary prerequisite for implementing the co-operative plan is for power to be in the hands of the proletariat. In *Two Tactics of Social-Democracy in the Democratic Revolution* and *Social-Democracy's Attitude Toward the Peasant Movement*, which he wrote in 1905, Lenin substantiated the need for the bourgeois-democratic revolution in Russia to develop into a socialist revolution. He said that this development would not depend on whether land would be nationalised or divided among peasants. However, as soon as the dictatorship of the proletariat is established, when the socialist reorganisation of the countryside is placed on the agenda, it is easier to organise peasant co-operation on the nationalised land than on their private land because the nationalisation of land emancipates the peasant from servile attachment to his land and therefore makes the socialist reorganisation of the countryside easier. He stressed that with the growing over of the bourgeois-democratic revolution into the socialist revolution, the nationalisation of all land in the country meant a step forward in the direction of socialism. The nationalisation of land in Russia created the necessary conditions for the peasants to change over to a large-scale public economy delivering them from poverty.

In April 1917 Lenin wrote: "We cannot conceal from the peasants, least of all from the rural proletarians and semi-proletarians, that small-scale farming under commodity economy and capitalism cannot rid humanity of mass poverty, that it is necessary to think about going over to large-scale farming conducted on public lines and to tackle this

*job at once by teaching the masses, and in turn learning from the masses, the practical expedient measures for bringing about such a transition."*¹ Reminding the reader that Marxists never thought of expropriating the small peasants, Lenin indicated in the article "From a Publicist's Diary" the primary conditions for the voluntary socialist reorganisation of small peasant households into large enterprises. He wrote that "*provided the proletariat rules centrally*, provided political power is taken over by the proletariat, the rest will come *by itself*, as a result of 'force of example', prompted by experience".² This is why Lenin defended with all his revolutionary fervour the demand for nationalising land at the Fourth (Unifying) Congress of the Russian Social-Democratic Labour Party (RSDLP) in 1906.

Lenin's approach to the determination of the class nature of co-operatives under capitalism retains its great significance for working out the tactics of Marxist-Leninist parties pertaining to the various co-operative associations now widespread in many capitalist countries.

In this connection it would be well to recall that Lenin, while showing the social nature of co-operatives under capitalism, at the same time stressed the need for utilising co-operatives so as to attract the working people to the political class struggle. In the article "The Question of Co-operative Societies", in which he sums up the decisions of the Copenhagen Congress of the Second International in the field of co-operative policy, Lenin notes that there are two principal lines: "One—the line of proletarian class struggle, recognition of the value of the co-operative societies as a weapon in this struggle, as one of its subsidiary means, and a definition of the conditions under which the co-operative societies would really play such a part and not remain simple commercial enterprises. The other line is a petty-bourgeois one, obscuring the question of the role of the co-operative societies in the class struggle of the proletariat, attaching to the co-operative societies an importance transcending this struggle (i.e., confusing the proletarian and

¹ V. I. Lenin, *Collected Works*, Vol. 24, p. 169.

² *Ibid.*, Vol. 25, p. 281.

the proprietors' view of co-operative societies), defining the aims of the co-operative societies with general phrases that are acceptable even to the bourgeois reformers, those ideologues of the progressive employers, large and small."¹

Under present-day capitalism, Marxist-Leninist parties are also attributing great significance to the co-operative movement which is exceedingly widespread and which has millions of members in town and country. The role of co-operatives in the class struggle has greatly increased because they have been turned into mass organisations of small and medium producers in towns and villages. Since the question of the employment of the co-operative movement by Communist and Workers' parties calls for a special analysis, we shall only briefly review here some of its specific features. First of all, the present-day co-operative movement is directed against monopolies. Co-operatives are one of the forms which the working class and its parties use for uniting various classes and strata of society in the struggle against monopoly capital. Secondly, co-operative property, while not being socialist in its socio-economic nature, nevertheless helps working people to defend to a certain degree their economic interests from the onslaught of big capital. The habit of collective management and economic association prepare, so to speak, the small producer for the future socialist forms of organisation of production.

In this connection, the struggle which the working class and the Marxist-Leninist parties carry on for establishing their influence in the co-operative movement—one of the principal components of the present-day labour movement—is of great significance.

Lenin expanded and completed the co-operative plan in his post-October works. A particular place among them belongs to the article "On Co-operation" which he wrote after summing up the practice of socialist construction in the first years of Soviet power. This article contains a full account of the theory of socialist co-operation according to which the mainstay of socialist construction in the countryside is the transition of inefficient, small peasant individual

households to the co-operative forms of organisation of large-scale agricultural production.

Two main aspects can be singled out in Lenin's co-operative plan: the first and the most important in terms of determining the class approach to co-operatives is connected with the socio-economic nature of co-operatives. Lenin unveiled the social nature of co-operatives under capitalism and under the dictatorship of the proletariat. Attributing great significance to this question, he draws attention in many of his post-October works to the necessity of a concrete-historical approach to co-operatives as a form of production. He underlines that for the correct understanding of the social nature of co-operatives, they must not be regarded as isolated from the existing system of production relations in society, from the dominating mode of production. Lenin showed the utopian and reactionary essence of the idea that co-operatives are a means for the peaceful transition to socialism. In capitalist society, where the private ownership of the implements and means of production dominates, co-operatives are collective capitalist institutions. The development of co-operatives cannot evade the economic laws of capitalism; thus, during the competition co-operatives are either subjugated by big capital or are gradually ruined and destroyed. Under the circumstances, agricultural co-operatives do not destroy private ownership. On the contrary, since the bulk of their means belong to the wealthy members, co-operatives serve primarily as instruments for strengthening the private ownership of the village bourgeoisie which internally yields economic dominance. This is why village co-operatives under capitalism usually serve as a means for exploiting the toiling peasants and extorting profits for the wealthy strata.

Lenin indicated the fundamental distinction of co-operatives under the dictatorship of the proletariat from co-operatives under capitalism. In the original version of the article "The Immediate Tasks of the Soviet Government", written in 1918 after the proletariat had gained power, Lenin pointed out that a co-operative in capitalist society is a little shop, and no improvements or reforms can help here. This situation is counterposed by him with co-operatives under the

¹ V. I. Lenin, *Collected Works*, Vol. 16, p. 276.

dictatorship of the proletariat. He wrote: "The co-operative, if it embraces the whole of society, in which the land is socialised and the factories nationalised, is socialism."¹ "Co-operators" of all sort, reformists and revisionists idealised co-operatives in bourgeois society, they saw in them a way to socialism without the dictatorship of the proletariat. Trotskyists extended their assessment of small-scale production to the co-operatives of small producers, seeing in them only opportunities for capitalist development. Because of this, they made no distinction between co-operatives under capitalism and within the socialist state. Followers of Bukharin believed that small-scale production would spontaneously take the road to socialism. Lenin sharply criticised the enemies of co-operation within the socialist state. He noted that the old co-operatives inherited by the new society from the bourgeois system (consumer, supply-and-marketing and other forms of co-operatives) could be used, given control by the proletarian state, only as a form of state capitalism for the solution of economic problems.

The co-operatives which come into being after the establishment of the dictatorship of the proletariat are developed under the direction of the socialist state; their social composition is different (no capitalists, no kulaks), their nature is different. And this was of tremendous importance for the solution of a most difficult task, that of socialist transformation of the peasant economy. In the article "On Co-operation", Lenin emphasises that co-operation in the socialist state is entirely different from co-operation in bourgeois society. He wrote: "Under our present system, co-operative enterprises differ from private capitalist enterprises because they are collective enterprises, but do not differ from socialist enterprises if the land on which they are situated and the means of production belong to the state, i.e., the working class".²

The social nature and position of co-operatives undergo a change after the establishment of the dictatorship of the

proletariat. It is only the latter that destroys capitalist ownership of the means of production and introduces public, socialist ownership. In order to gain commanding heights in the national economy, the socialist state nationalises the means of production in industry, and also banks, means of communication,³ railway transport, sea and river fleets, foreign trade, and major enterprises of internal trade.

Public ownership in the basic means of production undermines the economic basis for the domination of capital and lays the foundation for the development of socialist production relations, the socialist mode of production, which in turn constitutes the economic basis for the dictatorship of the proletariat directed against capitalism and the bourgeoisie in town and country. This is why Lenin believed that there were two decisive conditions for changing the nature of co-operatives: a) winning of power by the proletariat, b) state ownership in the key means of production.

In these circumstances, the development of co-operatives cannot be viewed as isolated from the socialist industry, from the socialist mode of production dominating in the country. This is precisely why Lenin says that the development of co-operatives is one of the most important tasks in building socialism; he points out that the growth of co-operatives under the dictatorship of the proletariat and state ownership in the basic means of production are tantamount to the growth of socialism.

Speaking about the socio-economic essence of co-operatives within the socialist state, we must bear in mind that Lenin looked upon co-operatives as a form of public production that could ensure the development of socialist production relations in the countryside by the easiest and simplest way most accessible to the private-ownership psychology of peasants. He regarded co-operatives as a form of building socialism in the countryside in which "every small peasant" could participate. Co-operatives are the best means for ensuring the bond of millions of toiling peasants with the proletariat, of small peasant households with industry. They successfully combine the personal interests of the peasants with the interests of the entire socialist society. They enable the state to keep under vigilant control the

¹ V. I. Lenin, *Collected Works*, Vol. 27, pp. 215-16.

² Ibid., Vol. 33, p. 473.

personal trade interest (production interest in production co-operatives) of peasants and to subordinate these interests to those of workers and peasants in common.

The transformation of the social nature of co-operatives under the socialist state also meant that co-operatives—as a form of economy in which the capitalist upper crust exploited small and medium producers—were turned into a form of public production which, with the help of the dictatorship of the proletariat and the alliance of the working class and the toiling peasants, became an instrument of class struggle against the capitalists and kulaks. Production co-operatives, socialist in character, have a specific role to play in the struggle against kulaks. All of their activities are overtly class in character, they are directed towards the consolidation of socialist production relations in the countryside, the appearance and development of which perforce presuppose the eradication of the system of hired labour in agriculture and, consequently, of kulaks as a class.

Thus, the co-operatives as a form of transition to socialism are acceptable and advantageous both to the working class and the peasantry. They enable the working class to draw the majority of peasants into the work of socialist construction.

The second important aspect of Lenin's co-operative plan is the elaboration of the basic principles, methods and means for establishing peasant co-operatives. Lenin substantiated the principle of voluntariness, the essence of which is that one cannot force socialist forms of life upon peasants, and that the co-operative peasant movement should not be set going by decrees. In order to make the peasant join the working class in building socialism, he must be shown the advantages of public production. All material conditions must be set for shifting peasant households to the rails of production co-operation so that peasants will be personally convinced of the advantage inherent in co-operation. No peasant will join a co-operative without personal material interest. Consequently, the co-operative movement must be developed so that each of its new steps forward will represent a step by the peasant towards collective labour which, once he grasps its advantages, makes him a collectivist.

The principle of voluntariness is best implemented by adhesion to Lenin's advice to begin collectivisation with the forms most easily understood by and accessible to the peasant. The peasant's road to socialism passes through consumer, supply-and-marketing and credit co-operatives to the simplest production associations, and then through production co-operatives to large-scale socialist, collective farms. The socialist state gradually, through the supply-and-marketing co-operatives, leads the peasantry to production co-operatives; through the development of the simplest forms of agricultural co-operatives it paves the way to socialism for the peasant.

The gradual transition from the lower forms of co-operation to the simplest types of production associations and from them to collective farms is needed so as to convince the peasants in practice of the advantages inherent in co-operatives and large-scale farming, and also to send them through, so to speak, a school of collectivism training them how to manage the economy.

One of the most important principles of the Party's policy in respect to the peasantry is the constant leadership of the working class in socialist construction in the countryside, the strengthening of the leading role of the working class in its alliance with the peasantry.

The principle of voluntariness in co-operation does not mean that the peasantry will spontaneously drift to a large-scale socialist economy. The position of the spontaneous drift to socialism was upheld by Bukharin who believed that under the dictatorship of the proletariat small commodity production would grow into socialism, i.e., that the countryside would spontaneously follow the socialist town, just as in capitalist society the countryside spontaneously follows the towns along the road of capitalism. Bukharin thought that only the supply-and-marketing co-operatives should be developed; the latter, according to him, would suffice for the countryside to take the spontaneous road to socialism. Criticising Bukharin, Lenin stressed that socialism could be built only under the leadership of the working class and its party. Any weakening of the leading role of the working class in respect to the peasantry would push the small com-

modity village on to the capitalist instead of the socialist road. The peasantry's transition to socialism can be effected only under the leadership of Communist and Workers' parties and the proletarian state, which should provide all conditions for the successful development of co-operatives and should carry out intensive explanatory work among the masses of peasants.

While stressing that co-operatives can be developed only with the all-out assistance from the proletarian state, Lenin drew particular attention to the need for rendering economic and organisational aid to co-operatives by financing them and offering multiple privileges and advantages. Peasant households began to receive economic and financial aid from the state from the very first years of Soviet power. Speaking about the necessity of a gradual transition to state and collective farms, Lenin told the First All-Russia Congress of Land Departments in 1918 that "it requires the determined and persistent action of the Soviet government, which has assigned one thousand million rubles for the improvement of agriculture on condition that collective farming is adopted".¹ In 1923 Lenin drew attention to the need for the socialist state to render all possible assistance to the effort to build up co-operatives. In the article "On Co-operation" he writes that economic, financial and banking privileges which must be granted to the co-operatives "is the way our socialist state must promote the new principle on which the population must be organised".²

Lenin believed that the cultural revolution is one of the most important prerequisites for the organisation of the peasantry into co-operatives. In the transitional period from capitalism to socialism, the cultural revolution is just as an essential component of the general plan for building socialism as industrialisation and production co-operation. Only by utilising the achievements of science and technology, by using the entire wealth of human culture in their own class interests could the working class and its ally, the toiling peasantry, retain power in their hands, administer the state

and manage the national economy, and create new social relations. This is why Lenin closely linked the organisation of peasant households into co-operatives with the cultural revolution, without which the peasantry could not avail themselves of the achievements of agronomy and technology so as to raise labour productivity. Only the cultural revolution afforded an opportunity to raise the educational and technical standards of peasants to the level high enough to manage the co-operatives by themselves. Lenin knew that "to be cultured we must achieve a certain development of the material means of production, must have a certain material base".¹ The material base is essential for the creation of a new, socialist system of public education. The material base was also needed to provide the countryside with machines and to bring the achievements of science home to the peasantry and to agricultural co-operatives.

Lenin attributed the decisive significance to the development of industry for the socialist reorganisation of the countryside. He said that the heavy industry is the sole material basis of the socialist society, and that the development of the country's industry is an important prerequisite for socialist construction in the countryside. At the Party's Eighth Congress he said: "If tomorrow we could supply one hundred thousand first-class tractors, provide them with fuel, provide them with drivers—you know very well that this at present is sheer fantasy—the middle peasant would say 'I am for the communia' (i.e., for communism)".² The country's industrialisation was essential for the radical reorganisation of the productive forces in agriculture; it made a revolutionary impact on the peasantry by creating conditions for the successful co-operation of peasant households.

The socialisation of peasant means of production complies most fully with the law of the conformity of production relations to the character of productive forces. In a country with a multi-million peasantry, no other method of the socialisation of the means of production is acceptable because

¹ V. I. Lenin, *Collected Works*, Vol. 28, p. 347.

² Ibid., Vol. 33, p. 470.

¹ V. I. Lenin, *Collected Works*, Vol. 33, p. 475.

² Ibid., Vol. 29, p. 214.

it would ruin the alliance of the working class and the peasantry. This is why Lenin's co-operative plan is of tremendous worldwide significance. Though each country building socialism may have its own specific conditions and methods of building socialism in the countryside, depending on concrete local conditions, the principles of Lenin's co-operative plan are the guiding star for all countries in the socialist reorganisation of agriculture. Fraternal Communist and Workers' parties have frequently reiterated this point. Meetings of Communist and Workers' parties have confirmed that the establishment of production co-operation among the toiling peasants is one of the most important laws governing the transition from capitalism to socialism.

§ 3. SOLUTION OF THE LAND PROBLEM: THE MOST IMPORTANT PREREQUISITE FOR BUILDING SOCIALISM IN THE COUNTRYSIDE

While solving the agrarian question, the dictatorship of the proletariat completes the tasks of the bourgeois-democratic, anti-feudal revolution, thus strengthening the alliance of the working class and peasants as one of the most important conditions for socialist transformations in the countryside.

The agrarian question affects the interests of the broad masses of toilers in the countryside; on the solution of this question by the working class and its revolutionary parties depends the fusion of the peasant movement with the revolutionary struggle of the working class. Marx wrote: "The property in the soil is the original source of all wealth, and has become the great problem upon the solution of which depends the future of the working class".¹

In his discussion of ground rent, Marx demonstrated the necessity for and the progressive character of the elimination of large landed estates; this measure, according to him, promotes the development of productive forces in agriculture. Marx and Engels examined the question of land nationalisation in connection with the possibility of drawing poor

¹ K. Marx and F. Engels, *Selected Works*, Vol. 2, p. 288.

peasants and the agricultural proletariat into the struggle for the socialist revolution.

The nationalisation of land also corresponds to the economic interests of the bourgeoisie because it creates favourable conditions for developing capitalism in agriculture. The ownership of all the land by the bourgeois state undermines the absolute rent, while the portion of surplus profits, constituting the material basis of absolute rent, goes into the capitalists' common pot, levelling out and increasing average profits. In addition, part of the differential and monopoly rent in the form of rent paid by capitalists goes to the state.

When large landed estates exist the productive employment of capital is restricted, to a considerable extent, by increasing prices on land which strike hardest at small-scale economic units. In the third volume of *Capital*, Marx wrote: "The expenditure of money-capital for the purchase of land, then, is not an investment of agricultural capital. It is a decrease *pro tanto* in the capital which small peasants can employ in their own sphere of production. It reduces *pro tanto* the size of their means of production and thereby narrows the economic basis of production".¹ Further on he points to the rapidly rising prices on land sold by the parcel. In this latter case, "the price of land, this element foreign to production in itself, may therefore rise here to such a point that it makes production impossible".²

The nationalisation of land, on the other hand, eliminating the negative effect of the monopoly of private ownership in the land—economically realised in absolute rent—on the development of agriculture, fosters capitalism in agriculture. This is a fully bourgeois measure, but, to use Marx's expression, the radical bourgeois only theoretically negates private ownership in the land; he wants it to be state property in form alone while in actuality he wants it to be the property of the bourgeoisie, of capital. In practice he lacks courage because any attack against one form of private property endangers the other—the capitalist ownership of the means of production. Moreover, the bourgeoisie dreads

¹ K. Marx, *Capital*, Vol. 3, p. 810.

² Ibid., p. 811.

the socialist revolution to such an extent that it willingly makes a compromise with landlords in the struggle against the toiling people. The bourgeoisie needs this compromise since it itself has acquired land.

The bourgeoisie's inability to nationalise land, as was indicated by Marx, is especially evident under present-day capitalism. As the class struggle grows more acute, the bourgeoisie and the remnants of the feudal classes consolidate their forces in the struggle against encroachment on private property. An example is the bloc of the imperialist bourgeoisie with the former slave-owners in the south of the USA for the purpose of intensifying to the utmost the exploitation of former slaves, and increasing racial discrimination, which reduces to a minimum the cost of the Negro labour force.

In those countries where capitalism is less developed, one of the biggest obstacles in the way of land nationalisation is the dependence on foreign capital and the monopolies of the highly developed countries. In Guatemala, for instance, the best lands belong to the United Fruit Company. The interests of this company are closely intertwined with the interests of local feudal lords. This is why the US monopolies interfered with armed force when Jacobo Arbenz's government attempted to undertake a partial nationalisation in 1952. The military junta which came to power immediately stopped the agrarian reform.

Having proved that the bourgeoisie was unable to nationalise land, Marx underlined that with the socialist revolution, destroying capitalist production, the character of nationalisation is fundamentally different.

Expanding the Marxist theory of ground rent and the ensuing thesis on land nationalisation, Lenin analysed the question of revolutionary methods for the solution of the agrarian question. The socio-economic content of these methods is determined by the essence of the dictatorship of the proletariat, the highest principle of which is the alliance of the working class and the toiling peasantry. Lenin's methods helped to accomplish completely the basic task of revolutionary agrarian transformations—the elimination of big private land holdings and of all forms of oppression

stemming from capitalist ground rent and its specific form—rent payments,—that is to say, the abolition of the appropriation of labour products and incomes derived solely from the right of private ownership in the land.

The first method of the revolutionary solution of the agrarian question is the nationalisation of all land, including peasant lands, and its transformation into the property of the whole people, represented by the workers' and peasants' state. The second method consists in the distribution of land as the private property of the peasants in accordance with the principle "land to the tiller". Both methods envisage the confiscation of land belonging to big landowners—landlords, capitalists (kulaks), churches, monasteries, etc. But in certain conditions, some of the land can be bought out.

The selection of one of these two methods depends, as Lenin pointed out, on concrete historical conditions in the country concerned. Proceeding from this basic principle, Communist and Workers' parties, relying on the principles of Marxist-Leninist agrarian theory, determine the methods, concrete forms and pace of implementing them.

It should be pointed out that nationalisation of land requires specific conditions. We know that private peasant ownership of land is one of the main obstacles blocking nationalisation.

As far back as the eve of the Party's Fourth Congress, Lenin indicated that in choosing nationalisation as a method for the solution of the agrarian question, we must also take political conditions into account. In the booklet, *Revision of the Agrarian Programme of the Workers' Party*, he stressed that "the only stand Social-Democrats can take on the agrarian question at the present time, when the issue is one of carrying the democratic revolution to its conclusion, is the following: against landlord ownership and for peasant ownership, if private ownership of land is to exist at all. Against private ownership of land and for nationalisation of the land *in definite political circumstances*".¹

As we see, Lenin did not preclude the possibility of

¹ V. I. Lenin, *Collected Works*, Vol. 10, p. 181.

dividing landed estates in Russia and distributing them as private property among the peasants, for the division would mean the abolition of the landed class and promote the alliance of the working class and peasantry. At the Party's Fourth Congress he said that "municipalisation is wrong and harmful; division is wrong, but not harmful".¹ The distribution of land among the peasantry could have solved the agrarian question in Russia, but Lenin did not support this approach because, having deeply analysed the whole system of land relations in Russia's countryside, he drew the conclusion that such a direction was inadmissible for Russia where, in spite of the existence of peasant land ownership and a certain peasant attachment to the land, many peasants backed the nationalisation of land.

The revolutionary Russian peasantry supported the nationalisation of land as the only means of solving the problem to their own advantage. For many centuries Russian peasants dreamt of becoming free toilers on free land, including of course gentry, kulak, church, monastery, government and primogeniture lands. The unbelievably intricate forms of land property, land ownership and tenure in the Russian countryside of the landlords and kulaks could be disentangled only by revolutionary means. The peasantry in Russia resolutely backed the abolition of private ownership of land and the distribution of all landed estates among the peasantry on an egalitarian basis. It wanted all the land, including its own (both qualitatively worse and quantitatively less than the gentry holdings), to be freely apportioned. The peasant knew that the people's government would allow him to work freely on free land. Ideologically, this aspiration was expressed by the phrase "the land belongs to no one".

These nationalisation ideas were fostered, to a certain degree, by the tradition of collectivism, stemming from the system of communal land tenure in Russia.

Lenin, combining wisdom and knowledge of the people's life and deeply aware of the people's aspirations, drew the conclusion that from the viewpoint of the given moment, of the mood of the majority of peasants and of their vital

needs, the nationalisation of all land complied most adequately with the concrete historic conditions for the growing over of the bourgeois-democratic revolution in Russia into the socialist revolution. The demand for the nationalisation of land correctly reflected the economic and political conditions in Russia, it conformed most fully with the task of completing the bourgeois-democratic revolution and made it easier for the working class and its allies, the poor peasants, to pass over to the socialist revolution. Given the victory of the republic, Lenin assessed the nationalisation of all land "as the most that a bourgeois-democratic revolution can attain; as the natural and necessary step from the victory of bourgeois democracy to the beginning of the real struggle for socialism".¹

The nationalisation of land as a revolutionary method of solving the agrarian question not only removes the vestiges of feudalism in agriculture, but also, by destroying large-scale private ownership of land and absolute rent, lays the objective foundation for the development of productive forces and capitalist production relations in agriculture. The significance of the nationalisation of land as a revolutionary method of solving the agrarian question lies also in the fact that the liquidation of one of the forms of large-scale private ownership invigorates the struggle for the abolition of the other form of big capitalist ownership of the means of production—capitalist property.

But the main feature of the demand for the nationalisation of land in Russia was that the Bolshevik Party closely linked this demand with the struggle for the revolutionary-democratic dictatorship of workers and peasants, for the propulsion of the bourgeois-democratic revolution into the socialist revolution. The best opportunities for the transition to socialism are set by the nationalisation of land, which the Russian peasantry was ready to accept as the optimal solution in its favour of the agrarian question. This is why Lenin regarded as erroneous the suggestion of dividing the land among the peasantry as their private property in the context of the revolutionary processes in Russia. He ap-

¹ V. I. Lenin, *Collected Works*, Vol. 10, p. 286.

¹ V. I. Lenin, *Collected Works*, Vol. 10, p. 191.

proached the agrarian question from the position not only of the past and present, but also of the future progress of Russia along the road of socialism.

The demand for the nationalisation of all land with the confiscation of landed estates became the central point in the agrarian programme of the Bolshevik Party.

The nationalisation of land in Russia was accomplished as a result of the agrarian reform undertaken immediately after the establishment of the dictatorship of the proletariat. The first Soviet agrarian laws ushered in the implementation of Lenin's agrarian programme.

On October 26, 1917, the Second Congress of Soviets adopted the Decree on Land. By this Decree the Soviet power abolished private ownership of land, its mineral resources, water, forests and other natural wealth. The land confiscated from the landlords, the bourgeoisie and other non-toiling elements was handed over to the people, while peasant land, though nationalised, remained in their use. This was stipulated by a special clause in the Decree which said: "The land belonging to ordinary peasants and Cossacks is not subject to confiscation."

The Decree on Land was based on the Peasant Mandate on Land compiled and printed before the October armed uprising. Though the Mandate contained many erroneous provisions, Lenin included it wholly in the Decree. He did so because many of the most important provisions—the demand for the abolition of private ownership of land, distribution of confiscated lands among the peasants, confiscation of the landlords' farm implements for communal use, prohibition of sales and purchases of land—did not in substance contradict the decisions of the April 1917 Conference of Bolsheviks.

As concerns the egalitarian distribution of land according to labour and consumption norms, the Party, though this provision did not correspond to its programme, proceeded in the interest of consolidating the alliance of workers and peasants, and therefore could not ignore the will of the peasantry. Lenin said that the peasants would themselves grasp the truth and that "experience is the best teacher and it will show who is right. Let the peasants solve this problem

from one end and we shall solve it from the other".¹ The introduction of egalitarian land tenure at that time was essential for the consolidation of the workers' alliance with the toiling peasants.

The Communist Party also proceeded from the fact that egalitarian land tenure would help to eliminate landed estates and the vestiges of serfdom, and consequently, to complete the bourgeois-democratic revolution. Concerning peasants' illusions that egalitarian land tenure could eliminate capitalism in agriculture, time was needed to convince the peasantry through experience that SR² petty-bourgeois socialism was groundless.

The abolition of private land ownership and the egalitarian distribution of land without compensation were confirmed by the Third All-Russia Congress of Soviets in January 1918, which approved the main provisions in the Decree on the Socialisation of Land. The Decree stressed the significance of collective forms of economy for the victory of socialism, it contained a provision on the organisation of large Soviet farms on confiscated estates. Though the Decree developed the provision on the egalitarian distribution of land for private use, its principal tenet was the legal establishment of the concrete ways of building socialism in agriculture.

The reforms of 1917-1918 played an enormous role in the solution of the agrarian question in the USSR. As a result, land was nationalised and an important prerequisite for the socialist reorganisation of agriculture in the USSR was created.

In the course of nationalisation, landlords' estates and other means of production belonging to them were confiscated without compensation. The chief means of production in agriculture became public property. This was the first step towards the conquest of commanding heights in the economy by the socialist state.

Soviet power transferred more than 150 million hectares

¹ V. I. Lenin, *Collected Works*, Vol. 26, p. 261.

² Socialist-Revolutionaries—a petty-bourgeois party that fought against Soviet power.

of landed estates and other private lands to the peasants without compensation. The peasants were saved 700 million gold rubles which they formerly spent annually on rental and land purchase payments; their debt to the Land Bank amounting to more than 1,300 million rubles was written off. In addition, they got farm implements, formerly belonging to landlords, to the sum of 300 million rubles.

Thus, the peasant households got substantial economic benefits, and that considerably strengthened their alliance with the working class—the economic and political foundation of the dictatorship of the proletariat.

Assessing the practical results of the October Revolution for the peasant masses, Lenin wrote: "In this peasant country it was the peasantry as a whole who were the first to gain, who gained most, and gained immediately from the dictatorship of the proletariat. The peasant in Russia starved under the landowners and capitalists.... Under the dictatorship of the proletariat the peasant *for the first time* has been working for himself and *feeding better than the city dweller*. For the first time the peasant has seen real freedom—freedom to eat his bread, freedom from starvation."¹

Besides the USSR, land was nationalised in the Mongolian People's Republic (MPR). Agriculture in Mongolia was based on cattle-breeding, and not crop farming. This meant that the feudal exploitation of *arats* was based on the private ownership of cattle and land by the feudal lords. Since the chief occupation of the people was nomadic cattle-breeding, the private ownership of land was always a means for the economic and political enslavement of *arats* by the feudal lords. The *arats* had no right to move freely from one pasture to another or to leave their masters. In these conditions, they regarded nationalisation as a necessary and just measure. The nationalisation of land paved the way for the confiscation of cattle from the feudal lords.

Land in the MPR was nationalised after the People's Government had passed the corresponding decree on May 21, 1921; the nationalisation of land was legally confirmed by the Constitution of the MPR adopted in 1924. Beginning with

¹ V. I. Lenin, *Collected Works*, Vol. 30, p. 112.

1929 and in line with the decision of the Seventh Congress of the Mongolian People's Revolutionary Party (MPRP), an offensive was launched against the feudal lords; their property and cattle were confiscated. This process was completed in 1940—at the end of the anti-feudal and anti-imperialist stage of the Mongolian revolution.

The nationalisation of land served as the basis for the state sector in the economy. In 1922, for instance, the first state farm was set up on the nationalised land along the Khara River.¹

In all the other socialist countries, with the exception of the USSR and the MPR, the agrarian question was solved by the two methods of land socialisation. The distribution of land among the peasantry in the form of private property prevailed because only an inconsiderable portion of large holdings were nationalised. Land held by industrial, agricultural and other state enterprises, organisations, etc., was nationalised. A portion of land confiscated from the big landowners was transferred to state farms.

Most of the land confiscated in accordance with the agrarian reforms in the socialist countries was distributed into the private possession of the peasants. The first to get landlords' holdings were the landless (agricultural workers) and land-hungry peasants.

The agrarian reforms in the socialist countries were anti-feudal in character, but land was distributed in a way so as to preclude the development of capitalist enterprises in agriculture. This was done by the imposition of ceilings on land holdings. In the GDR, for instance, the maximum was formerly fixed at 100 hectares, in Poland—20 hectares, in Hungary—50 holds,² in Rumania and Czechoslovakia—50 hectares. In Bulgaria, the maximum for people who worked their own farms was fixed at 20 hectares on the average for the country as a whole and at 30 hectares in South Dobrudja.³ The maximum allotments of new land were fixed

¹ D. B. Ulymzhiev, *The Socialist Reorganisation of Agriculture in the MPR*, Ulan Ude, 1968, p. 38 (in Russian).

² 1 hold = 0.57 hectares.

³ *The Socialist Transformation of Agriculture in the European People's Democracies*, Moscow, 1963, p. 38 (in Russian).

as follows: Hungary—15 holds of arable lands and meadows, and 3 holds for orchards and vineyards; Rumania—5 hectares; the GDR—5 hectares of medium-quality land per family and 8-10 hectares of poor-quality land; in Bulgaria—5 hectares and 8 hectares in South Dobrudja; and in Albania—5 hectares plus 2 hectares for each married member in the household.

The development of capitalist land tenure was restricted by many other measures, including taxation and prohibitions on the sale and purchase of land. The latter measure made it easier for peasants to pass over to production co-operation in the European socialist countries where the peasants were of tradition firmly attached to their land.

It should be noted that there were distinctive features in the agrarian reforms in each of the socialist countries. In Bulgaria, for instance, the agrarian reforms were aimed at capitalist land tenure, and not at feudalism. This was because there were no landed estates in pre-revolutionary Bulgaria, but the kulaks owned nearly 25 per cent of cultivated land and up to 70 per cent of draught animals.¹ The law of March 12, 1946, On Toilers' Land Property, transferred all private, monastery and other lands exceeding the fixed quota to the state land fund and then redistributed it between landless and land-hungry peasants; on some of these lands state farms were organised. The reform, aimed mostly at the kulaks, was anti-capitalist in character.

In Bulgaria, and also in Hungary, Czechoslovakia and the GDR, where feudal relations were closely intertwined with quite developed capitalism in the countryside, the former owners were partially compensated for the confiscated land. Partial compensation was also given to the landlords who took part in the national-revolutionary movement. Peasants in Hungary, Czechoslovakia, the GDR and Bulgaria had to pay for the land they received. It should be noted that this method of distributing land into the private possession of the working peasants corresponded to the

¹ A. D. Stupov, *Development of Socialist Agriculture in Bulgaria*, Moscow, 1960, p. 31 (in Russian).

strong traditions of private ownership of land in those countries and the peasants' concept of the right of private property. There were cases where peasants (in the GDR and Poland) refused to take land free of charge. The redemption prices for land were insignificant, and payments could be made on an installment basis during a period of 10 to 20 years. Though nominal and token in nature, this buying-out of land assured the peasants that the land was theirs forever.

In Albania, Rumania, Yugoslavia, China and the Korean People's Democratic Republic, where capitalism in agriculture was not as developed and where there existed various and strong feudal vestiges, land was confiscated without any compensation; it was transferred to peasants without redemption.

The pace of agrarian reforms in the socialist countries varied. As in the USSR, in most of the socialist countries the agrarian reforms were implemented quickly. In Hungary, for instance, all land and property held by fascists, war criminals and traitors were confiscated within a few weeks after the decree of March 17, 1945, On the Abolition of the System of Landed Estates and Distribution of Land Among Peasants had been passed. Land was also confiscated, with partial compensation, from the landlords and other major holders.

In Rumania, the struggle for the agrarian reform was successfully initiated as early as 1944; it was completed after the promulgation of the Decree on Reform on March 23, 1945. In the Korean People's Democratic Republic, the agrarian reform was completed in record time—during March 1946. Albania, and Bulgaria also carried out the reform quite rapidly. In Poland, where people were resettled to the newly reunited lands, it took more time.

The same happened in the Democratic Republic of Vietnam because of the armed struggle against colonialism. The reform there was carried out gradually. A number of anti-feudal measures were executed during the War of Resistance. The peasants received in temporary usage more than 500,000 hectares of land confiscated on December 4, 1953, from French colonialists and Vietnamese traitors.

The Third Session of the DRV National Assembly adopted a law on the agrarian reform stipulating various methods for abolishing landed estates. The land owned by colonialists was confiscated while the land and property of Vietnamese landlords who took part in the War of Resistance and of democratically-minded landlords were bought out. The lands of traitor landlords and of landlords hostile to the people's power were confiscated. The peasants were given land without redemption payments. The agrarian reform in the DRV was executed by stages from December 1953 to the middle of 1956.

The agrarian reform in Czechoslovakia was implemented gradually, in three stages. It was due to the specific nature of the struggle against fascism and the alignment of class forces in the Czechoslovak countryside during and after World War II.

At the first stage, the state confiscated the land and property of Germans and Hungarians as well as of traitors and enemies of the republic regardless of nationality. Land belonging to Germans and Hungarians who had fought for the liberation of Czechoslovakia was not confiscated. This measure was envisaged in the Kosice Programme elaborated by the Communist Party of Czechoslovakia and adopted by the government of the National Front at its session on April 5, 1945, in Kosice. The programme was promulgated into law by a decree of the Republic's President on June 21, 1945.

At the second stage of the agrarian reform, in April 1947, the Communist Party of Czechoslovakia put forward the so-called Hradec programme. This programme envisaged that all holdings by those who tilled the land in excess of 50 hectares and all land held by non-cultivators should be bought out. In an effort to reach a compromise with the other political parties opposing this programme, the Communist Party suggested a revision of the Land Reform of 1919 so as to eliminate the abuses in its implementation. On July 11, 1947, the National Assembly passed a law under which the land which the Czech and Slovak landlords had seized as a result of the bourgeois-landlord agrarian reform of 1919, was now alienated. The law on the revision of the agrarian reform of 1919 provided the right to expropriate

from the landlords all land in excess of 150 hectares of cultivated area and in excess of 250 hectares of total acreage. When in a given district the peasants were short of land or when the land was needed by society, the law allowed the confiscation of all land from the landlords in excess of 50 hectares. Under the law, at least 423 landlord and Church estates, together holding 627,521 hectares of land, were subject to revision.

The third stage began after the defeat of counter-revolution in February 1948 when the National Assembly amended the law of July 11, 1947. In conformity with the decree on new agrarian reform of March 21, 1948, the provisions of the Hradec Programme acquired the status of law. The reform was a blow, first, to the landlords who owned more than 50 hectares of land, and, secondly, to land holders who did not cultivate it personally. The latter, if they so requested, were allowed to retain only one hectare of land.

During the reform nearly 15,000 big capitalist farms with a total of nearly 40 per cent of the country's cultivated land were abolished; the number of farms with an average acreage in excess of 20 hectares (those that were essentially capitalist in character) was reduced by 38.4 per cent.

Thus, the agrarian reform in Czechoslovakia did away with landed estates and vestiges of feudalism in the countryside; the sphere of capitalist exploitation was reduced.

In spite of distinctive features in the solution of the agrarian problem in each socialist country, the substance and effect of the agrarian reforms were similar. As a result of the reforms carried out under the guidance of the Communist and Workers' parties, the socialist countries liquidated big private landownership, the vestiges of feudalism and other forms of pre-capitalist agrarian relations in the countryside, restricting (not destroying) at the same time the sphere of kulak exploitation of the peasantry. The land was given to those who tilled it—the toiling peasants and farm workers. As a result of the agrarian reforms, the socialist countries confiscated and distributed among peasants a total of nearly 270 million hectares of land. Of this total, the USSR accounted for 200 million hectares, China—47 million hectares, the other socialist countries in Asia—more

than 2 million hectares, and the European People's Democracies—nearly 20 million hectares.

The class structure in the countryside was changed: the class of landlords was eradicated and the number of middle peasants increased as the result of nationalisation and division of land among toiling peasants. This consolidated the union of the working class and the peasantry and created favourable conditions for the peasants to embark on the road of socialism.

It follows that the common features of the nationalisation and distribution of land into the possession of the peasants as the two methods of the revolutionary solution of the agrarian question, are determined by the revolutionary content of the agrarian programmes of Marxist-Leninist parties, which insist on the eradication of all forms of large-scale ownership of land, its minerals, forests, water and other natural resources. This is the basis for the eradication of all forms of capitalist ground rent and of oppression by land magnates personifying power over a soil drenched in the sweat and blood of millions of small and middle peasants, metayers, farmhands, and other agrarian paupers.

The differences in the above revolutionary methods of the socialisation of land—the basic means of agricultural production—are not fundamental from the viewpoint of future socialist transformations in the countryside. However, the distribution of land into the possession of the peasants gives birth to specific features in the agrarian system introduced after the abolition of bourgeois-landlord agrarian relations. These specific features extend the boundaries of working peasants' land ownership and, on this basis, of small commodity production in the countryside. This production, because of the dual character of small peasant economy, is capable of generating spontaneous capitalist economic forms. This also places some obstacles in the path of peasant co-operation and accounts for a number of specific features in the forms and methods of its execution.

As regards the establishment of the socialist agrarian system, the nationalisation of all land is, under certain conditions, a measure more consistent in nature and more con-

ducive to the creation of socialist forms of production in the countryside.

Nevertheless, in some socialist countries the bulk of the land was not nationalised. Proceeding from the political and economic conditions in which the people's revolution was carried out and from the historical peculiarities of the development of these countries, the Communist and Workers' parties employed as a method of solving the agrarian question the distribution of land into the private possession of landless and land-hungry peasants and farm workers.

The distribution of land is one of the methods for the revolutionary solution of the agrarian question. Marxism-Leninism maintains that in working out the agrarian programme, the parties of the working class must be very careful and must exhibit an all-round approach in choosing the measures and methods of implementing the agrarian revolution; they must proceed primarily from the interests of the dictatorship of the proletariat, i.e., from the necessity of strengthening the alliance of workers and peasants with the working class playing the leading role.

The principal demand in the Marxist agrarian programme is the elimination of private ownership of land. It is impossible to satisfy this demand without the nationalisation of land. But this does not mean that all land must be immediately nationalised without due regard for the interests of the peasants and their readiness to accept one or another measure in the solution of the agrarian question. An illustration of the concrete historical approach to the agrarian question is the following thesis advanced by Marx: "Peasant proprietorship being then the greatest obstacle to the nationalisation of land, France, in its present state, is certainly not the place where we must look to for a solution of this great problem."¹

In "Preliminary Draft Theses on the Agrarian Question" (for the Second Congress of the Communist International), Lenin drew the attention of Communist parties to the need to safeguard peasant interests: "In most capitalist countries, however, the proletarian state should not at once completely

¹ K. Marx and F. Engels, *Selected Works*, Vol. 2, p. 289.

abolish private property; at all events, it guarantees both the small and the middle peasantry, not only the preservation of their plots of land but also their enlargement to cover the total area they usually rented (the abolition of rent).¹

The guiding tenets of the classics of Marxism-Leninism fully retain their force in the context of present-day capitalism and are reflected in the agrarian programmes of Communist and Workers' parties.

At the first stage of the revolution in the People's Democracies, confronted with the task of solving the bourgeois-democratic goals, the Communist and Workers' parties refrained from the nationalisation of all land primarily because private peasant ownership of land was quite widespread, and because of the proprietorial traditions connected with the age-long existence of private ownership of land. In these circumstances the distribution of confiscated land into the private possession of peasants, as distinct from nationalisation, creates the confidence that henceforth the land will irrevocably belong to the peasants.

In countries such as China and Vietnam, the majority of peasants had no stable traditions of private ownership. But they were typified by the presence of a strong class of landlords and by the fact that most peasants had little or no land at all. In China, for instance, the landlords, who together with the kulaks accounted for less than 10 per cent of the rural population, owned approximately 70 per cent of land. In Vietnam, the French colonialists and the local landlords, jointly accounting for less than 4 per cent of the country's population, owned nearly 70 per cent of the land, while the peasants, who accounted for more than 85 per cent of the population, had less than 30 per cent of the arable land; 58 per cent of the rural population had no land at all. Korean peasants also suffered from landlessness or land hunger. Under the circumstances, the distribution of land into the private possession of the peasants, which was their long standing dream, strengthened the alliance of the working class and the peasantry.

The distribution of land into the peasants' private posses-

sion instills confidence that the land will never again be turned into a means of their exploitation or enslavement by the landlords. This is the principal economic reason why land was distributed to the peasants and not nationalised as a solution of the agrarian question.

But there were also political factors dictating the selection of this method. During the anti-fascist and anti-imperialist struggle, the Communist and Workers' parties rallied various segments of the people; peasants were one of the main forces in the people's, national, fatherland's fronts created by them. In these conditions, a programme of confiscation of landed estates rather than nationalisation and their redistribution to the tillers contributes most to the strengthening of the people's unity, especially the alliance of the working class and the peasantry.

Does this mean repudiation of the nationalisation of all land? No. Under socialism, land as the principal means of production in agriculture must be owned by the whole society. At the Fifth Congress of the Bulgarian Communist Party, Georgi Dimitrov pointed out that the transformation of land into public property would take place "parallel with the gradual participation of poor and middle peasants in labour co-operative farms, the development of machine-and-tractor stations, and as a result of prohibiting giving land in rent, restricting and subsequently prohibiting land sale and purchase, reducing and subsequently eliminating rent by decision of peasants in co-operatives themselves and when the conditions mature, the question of the nationalisation of land will practically be solved because it will be turned over to the toiling peasants for eternal use".¹ Thus, this question is to be solved gradually during and after the completion of the socialist transformation of agriculture. The socialist socialisation of land has in the main been carried out in the socialist countries where the organisation of all peasant households into production co-operatives has been completed.

But before the actual resolution of the question of land nationalisation there remain some distinctions in land rela-

¹ V. I. Lenin, *Collected Works*, Vol. 31, p. 157.

¹ Georgi Dimitrov, *Collected Works*, Vol. 2, Moscow, 1957, p. 670 in Russian).

tions between socialist countries which nationalised the land and those which distributed the land into the private possession of the peasants.

The nationalisation of all land with its free distribution among the peasants means that land as the object of ownership becomes the property of the whole people, while as the object of farming it is owned and used by small peasants.

Hence an obvious contradiction between the nature of the relations as regards property in land and those as regards land as the object of farming. This disparity, typical of the agrarian system in the transitional period from capitalism to socialism, is removed during the socialist organisation of peasant households as socialist production co-operatives. There emerges, as a result, a socialist agrarian system characterised by public property in land and collective farms' socialist ownership of land as the object of farming.

In the socialist countries of Europe and Asia where the agrarian revolutions were made using both methods but with priority given to the method of distributing land to the peasants as private property, there was a certain correlation between land relations and the aggregate of agrarian relations. In other words, the land system, being the nucleus or the foundation of the agrarian system in the form of small peasant ownership of land, corresponded to the system of small peasant land usage—the system which predominated in those countries before mass production co-operation in the countryside.

In the course of mass co-operation, the peasants' basic means of production, including land, are socialised, although the right of private property is retained for a definite time, depending on concrete conditions in the given socialist country.

Thus, the experience of the USSR and the other socialist countries affirm the feasibility of two modes of solving the land question under the dictatorship of the proletariat: nationalisation and the distribution of land into the peasants' private possession. Both methods ensue from Marxist-Leninist teachings and correspond to the task of strengthening the alliance of the working class and the toiling peasantry and reorganising agriculture along socialist lines.

§ 4. ECONOMIC TIES BETWEEN TOWN AND COUNTRY: PRIMARY CONDITION FOR BUILDING SOCIALISM

The decisive role in the successful socialist reorganisation of agriculture belongs to the conditions common to all socialist reforms: the takeover of power by the working class and establishment of the dictatorship of the proletariat; establishment of public (state) ownership in the key means of production and the winning of commanding heights in the economy by the proletarian state; the establishment and constant consolidation of the alliance of the working class and the peasantry.

In the USSR and the other socialist countries, the state power of the victorious working class was employed first of all for gaining commanding positions in the economy. This precisely marked the beginning of the revolutionary socialist reorganisation of the capitalists economy and of the aggregate of production relations created by the capitalist mode of production. During the transition from capitalism to socialism, when the conflicting unity of capitalist and socialist production relations persists over a protracted period and when these relations clash uncompromisingly, the scientific determination of the principles of the proletarian economic policy of the working class and its Marxist-Leninist parties for the entire transitional period acquires decisive significance. Leninism has done a major service to history by providing a correct solution to the complicated theoretical problem of the correlation of economy and politics in general and by evolving the only correct economic policy for the socialist state during the transition period. This policy, though formulated in the specific historical conditions in which socialism was built in the USSR, has acquired world significance. The basic principles of this policy have become obligatory for all countries taking the path of socialism. Each socialist country creatively applies these principles with due regard for its concrete conditions and national peculiarities, but the overall economic policy for the transition period is common to all such countries. This is objectively predetermined by the basic features common to the economy of the transitional period.

According to Marxism-Leninism, socialism presupposes socialist production relations common to the entire economy. But the economy during the transition period is characterised by several structures with various forms of property: socialist, capitalist and small-commodity. The socialist mode of production emerges immediately following the establishment of the dictatorship of the proletariat, as a result of the nationalisation of the means of production in the key branches of the economy, primarily the nationalisation of banks, major industrial enterprises, transport, means of communication, etc. It forms the base for the socialist state. The socialisation of formerly capitalist means of production continues for some time, depending on concrete conditions in the given country. As a result, the socialist sector grows and begins to play the leading role in the economy. The birth of socialist ownership of the means of production changes the economic position of the proletariat, turning it from an unpropertied, exploited class without any civil rights, which it was under capitalism, into a class which together with the whole working people holds commanding heights in the economy. Thus, with the appearance of the socialist structure, the dictatorship of the proletariat and the domination of the working class in society is supplemented by the dominant position of the working class in the economy. But in agriculture, the socialist sector does not rise to the dominant position immediately, and consequently, prior to the mass production co-operation and collectivisation of peasant households during the transition period from capitalism to socialism, there exists a contradiction, a discrepancy between extended reproduction in socialist industry and simple, or frequently even narrowed, reproduction in agriculture.

Having gained power, the proletariat cannot immediately expropriate the whole bourgeoisie and abolish the capitalist mode of production. For a definite period the petty and middle bourgeoisie is allowed to retain its property, which later is, in the course of the economic struggle, displaced by the socialist forms of economy. Kulak farms remain during the transition period. The existence of the capitalist mode of production means that the bourgeoisie is still

there, though it has ceased to be an economically or politically dominant class. This class, however, still has a degree of economic power; it offers bitter resistance to socialism.

Finally, small commodity production, which today exists in practically all capitalist countries, constitutes the third mode of production. It encompasses small and medium farms of individual peasants, and also small handicraft, domestic and trade enterprises. Small commodity production is based on small private ownership and the personal labour of the commodity producer. Just as under capitalism, the small commodity sector in the transition period is marked by stratification and differentiation. The agrarian reforms of the socialist state and its all-round assistance to poor and middle peasants slow down the process of differentiation of the middle peasantry, restrict the growth of a kulak strata, and raise many poor peasants to the level of middle peasants.

Besides these three basic economic sectors and the corresponding classes—the working class, the bourgeoisie and the peasantry—in certain countries there may remain vestiges of the patriarchal mode of production, which usually comprises a small number of peasant households engaged in seminatural economy and weakly connected with the market. The patriarchal mode of production existed in the USSR, Mongolia, China and other countries.

The specific historical conditions prevailing in some countries building socialism predetermine the existence of state capitalism there. This book is not concerned with the analysis of the causes of state capitalism or its forms and role in the economy. We shall only note that state capitalism as a form of the gradual reorganisation of private capitalist industrial and trade enterprises into socialist enterprises is possible only if the socialist state occupies the commanding heights in the economy and if it uses a number of economic levers for directly or indirectly influencing the development of state capitalism along the road leading to socialism.

Thus, a specific feature of the economic and class structure of society during the transition period from capitalism to

socialism is the coexistence of capitalist and socialist production relations conflicting in their economic essence. In these circumstances, the economic laws of capitalism continue to function, though their sphere is limited. At the same time, the emergence and development of the socialist mode of production give birth to the functioning of the economic laws of socialism.

The socialist and capitalist modes of production wage a stubborn struggle which inevitably ends in the downfall of capitalism and the dying away of its inherent economic laws—terminating in the triumph of socialism and the development of the economic laws of socialism. But to ensure victory, the working class and its party must find specific forms for the continual consolidation and promotion of the alliance between the working class and the peasantry during the transition period. Consequently, the bond of the working class and the peasantry can be ensured only by a sound economic policy on the part of the socialist state.

Lenin's dialectic approach to the correlation of economics and politics is evident in the fact that he regarded it as something that changes, depending on concrete conditions and the stages of the revolution, and not as something immutable, given once and for ever.

Marx's historical materialism proceeds from the premise that economic relations serve as the basis engendering and determining the political, ideological, etc., superstructure. Politics is born of economics. In turn, politics has a direct influence on the society's economic development. Lenin made it clear that after the seizure of power by the proletariat and the military victory over the enemies, economic tasks come to the fore. Politics is a concentrated expression of economics. Although economics is primary and politics is secondary, Lenin stressed that politics, since born of economics, must take precedence over economics and that "without a correct political approach to the matter the class will be unable to stay on top, and, consequently, will be incapable of solving its production problem either".¹ This shows the necessity for the class political approach to

the solution of economic problems. In this connection, it would be well to recall that Lenin also said that "politics means a struggle between classes".¹

Lenin's advice to approach the solution of any problem from class positions holds good to this day for revolutionary theory and practice, because it rejects the non-class approach to the solution of internal problems of building socialism and problems of the foreign policies of the socialist states.

In the very first months of Soviet power, Lenin drew particular attention to the need to establish economic ties between industry and agriculture. He notes in his works the importance of the correct utilisation of money, finances and credit facilities for the purpose. In the article "Economics and Politics in the Era of the Dictatorship of the Proletariat", Lenin said that although Russia, because of its backwardness and petty-bourgeois nature, had five modes of production, actually the basic forces and the basic forms of social economy were similar to those in any capitalist country.

The basic forces are the bourgeoisie, the petty bourgeoisie (particularly the peasantry) and the proletariat. Thus, in defining the principal economic tasks, Lenin proceeded primarily from class relations and the interests of consolidating the alliance of workers and peasants. He stressed that "the proletariat, after having defeated the bourgeoisie, must unswervingly conduct its policy towards the peasantry along the following fundamental lines. The proletariat must separate, demarcate the working peasant from the peasant owner, the peasant worker from the peasant huckster, the peasant who labours from the peasant who profiteers.

"In this demarcation lies the *whole essence* of socialism".²

The demarcation of the two aspects characterising the peasantry as a class, meant that the small commodity production—characteristic of peasant economy—cannot exist without barter or markets. The material interest of the peasant in production lies in the marketing of a portion of his product. The size of this production is, of course,

¹ V. I. Lenin, *Collected Works*, Vol. 31, p. 371.

² Ibid., Vol. 30, p. 113.

¹ V. I. Lenin, *Collected Works*, Vol. 32, p. 84.

limited, for it is based on personal labour with no exploitation of hired manpower. However, the individual peasant economy can only be developed most fully if given a material interest in the expenditure of labour. This was particularly clear in the USSR during the Civil War and the struggle against foreign intervention. At that time Soviet power was compelled to deviate from the basic principles of its economic policy and to resort to the so-called policy of War Communism. This policy was called for by the difficult military situation. It was aimed at the mobilisation of all resources for supplying the Red Army and the working class with food, and the ruined industry with raw materials. The surplus-appropriation system was intended to take from peasants all surplus farm products, trade was curtailed and replaced by the organised distribution of manufactured goods among peasants.

There could be no talk of any equivalent exchange when industry and transport were utterly ruined. The absence of market ties and material interest in farming reduced agricultural production and obstructed the establishment of those economic relations between industry and agriculture which ensure the development of productive forces and extended reproduction. Lenin said that "War Communism was not, and could not be, a policy that corresponded to the economic tasks of the proletariat".¹

The economic policy of the socialist state, formulated by Lenin and known as the New Economic Policy (NEP) in the history of the USSR, was an outstanding contribution to revolutionary theory and practice. Back in the spring of 1918, Lenin sketched out in "The Immediate Tasks of the Soviet Government" and the "'Left-wing' Childishness and the Petty-Bourgeois Mentality" an outline of the plan for creating a socialist economy and laid the cornerstone for the economic policy of the dictatorship of the proletariat. His approach was based on an analysis of the multistructural economy and the corresponding class relations.

The Party's 10th Congress in 1921 decided to introduce a New Economic Policy. The shift-over to NEP was started

by the replacement of the surplus-appropriation system by the tax in kind and by granting permission to peasants to sell their surplus farm products freely in the market. The tax in kind was much lower than were expropriations under the surplus-appropriation system: only 240 million poods¹ of wheat instead of 423 million poods, 60 million poods of potatoes instead of 112 million poods, and 6.5 million poods of meat instead of 24.4 million poods. This difference considerably raised the material interest and labour productivity of the peasantry. The introduction of the tax in kind and free trade meant a concession to the middle peasant in his capacity of a petty producer. But besides creating an economic interest in the development of production it was essential because economic ties between the different modes of production during the transitional period, and primarily between socialist and small commodity modes of production, could not be established without barter and trade, the necessity of which ensues from the very economic nature of millions of petty producers. In an article entitled "The Tax in Kind", Lenin said: "The correct policy of the proletariat exercising its dictatorship in a small peasant country is to obtain grain in exchange for the manufactured goods the peasant needs."²

At the same time, free trade meant the revival of capitalism. The law of value in small commodity production led to the stratification of the peasantry. With free trade, small commodity production remained a source for the emergence and development of capitalist relations. Thus, the introduction of the tax in kind and free trade ensured the consolidation of the alliance of workers and peasants, in the interests of socialist construction on the one hand, and fostered the development of capitalism, on the other.

That objectively existing contradiction was gradually eliminated with the replacement of the capitalist by the socialist mode of production. The possibility of eliminating this contradiction arises when the dictatorship of the proletariat holds commanding heights in the economy and the

¹ One pood = 16 kilograms.

² V. I. Lenin, *Collected Works*, Vol. 32, p. 343.

¹ V. I. Lenin, *Collected Works*, Vol. 32, p. 343.

socialist state can restrict and regulate private trade. The further consolidation of the economic and political alliance of the working class and the peasantry created a strong foothold for the development of socialist elements in industry and agriculture and for the successful struggle against capitalist elements in town and country.

Consequently, the economic policy formulated by Lenin is based on the need to retain commodity production and commodity circulation in the transitional period from capitalism to socialism and on the possibility of employing commodity-money relations in the interests of building socialism. The existence of millions of small peasant households predetermines the necessity of commodity production and circulation as a form of economic bond between socialist industry and small commodity production in the countryside. In a multisectoral economy, the only possible form of exchange between the different sectors is that of sale and purchase, i.e., trade.

But commodity production and the law of value associated with it are different in essence from their capitalist counterparts.

First, if the objective basis for commodity production under capitalism is the social division of labour and private ownership of the means of production, under the socialist mode of production during the transition period the production of commodities is based on public, socialist ownership of the means of production. The state becomes not only the chief seller of goods for agriculture, but also the chief purchaser of farm products. Consequently, commodity-money relations no longer express the exploitation of the countryside by towns; they become a form for the expression of the economic ties between the socialist industry and small peasant economy, between the working class and the peasantry. Second, commodities in the socialist sector are manufactured in conditions in which socialist economic laws are operating. This undermines and restricts the spontaneous development of commodity production and the spontaneous operation of the law of value inherent in commodity production under private ownership. Small commodity production, too, now develops under the influence

of the socialist state, which by means of various economic, including value, levers, can influence the small peasant economy and restrict its spontaneity.

Third, already in the transition period from capitalism to socialism, the law of value ceases to operate as a regulator of public production, it does not determine the size of production or proportions between different branches of production. The distribution of means of labour and labour itself between the branches of socialist industry, just as the entire exchange of activities between all socialised branches of the national economy, is effected in a planned manner in conformity with the requirements of the principal economic law of socialism, the law of balanced, proportionate development of the economy, and the other economic laws of socialism. It should be borne in mind that under the capitalist and small commodity modes of production, the law of value to a certain extent retains its role of production regulator. This is manifested in the differentiation of small producers—a trend giving birth to new capitalist elements in town and country.

The employment of commodity production and circulation during the transition period is clearly of a class character. The bourgeoisie, naturally, tries to take advantage of the expanding market relations and free trade to further its own interests, but thanks to the dictatorship of the proletariat and its being in possession of the basic means of production, circulation, transport, communications and other commanding heights in the economy, the socialist state can not only grasp the requirements of the objective economic laws, including the law of value, but also employ value categories in the struggle against capitalist elements and to regulate the commodity-money relations so as to keep free trade within definite bounds.

In the USSR and the other socialist countries, an important role in restricting market relations and private trade was played by obligatory state deliveries, purchases, contracts and so on.

The European socialist countries introduced obligatory state deliveries at the very beginning of the transition period. The state farm produce funds, thus created, played

an important part in supplying the towns; they were also needed by the state to perform its regulating role in the circulation sphere. In addition to state deliveries, the state and the co-operatives make centralised purchases of farm products, thus removing them from private turnover.

Obligatory deliveries were made at prices below cost. Higher purchase prices, therefore, stimulated agricultural production more effectively. The obligatory deliveries were part of class policy; their amount depended on acreage and farm size. For example, in Bulgaria the land-hungry peasants were released altogether from obligatory deliveries. The highest rates were fixed for kulak farms.

Having served an important function in the sharp class struggle during the transition period, the obligatory deliveries were reduced as production co-operation increased. Eventually they were abolished altogether and replaced by a system of purchases. In some countries (Hungary, Rumania), products are delivered through contracts. Unlike the other European socialist countries, Yugoslavia abolished the system of obligatory deliveries in 1953 and replaced it by purchases of farm products at fluctuating market and purchase prices. Soon, however, the state was compelled to take a series of measures to normalise prices; it introduced guaranteed annual purchase prices. The state began to obtain products through purchase and under contracts.

In the Democratic Republic of Vietnam the state introduced, in 1956, a strict monopoly on grain purchases. Concurrently, the state began to exercise growing influence on prices in the free market for the procurement of all other farm products. Cuba introduced unified purchasing prices immediately after the establishment of people's power.

The price policy of the socialist state is of exceptional importance for restricting and ousting capitalist element; and for establishing correct relations between the working class and the peasantry.

Finally, the experience of the socialist countries has proved that the socialist state's taxation and credit policies are very important for restricting and, eventually, ousting capitalist elements.

However, the principal means of ensuring the economic bond between the working class and the peasantry is the mastering of trade by the socialist state. To achieve this end, the socialist state, in addition to organising and gradually developing state trade, also widely employs co-operatives and their agencies for establishing trade between town and country. But the role of various types of co-operatives under the dictatorship of the proletariat is not limited to supply-and-distribution functions.

The development of all types of peasant co-operation was the concrete form of the organising of the peasantry, which was intended to re-educate them and gradually to introduce them to new, collectivist socialist relations. The evolution of the lower forms of co-operation gradually made the peasants realise the necessity of the higher form—production co-operation. In the meantime, the development of the simplest types of co-operatives (consumer, supply-and-marketing, credit, etc.) directly links the state industry with the small peasant economy.

The first historical experience gained by the Soviet state showed the tremendous significance for building socialism of the introduction and development of all types of co-operatives, particularly of agricultural co-operatives. The Party's Programme, adopted at its Eighth Congress in 1919, noted that the Party advocated "all-round state assistance to agricultural co-operatives"¹. In the field of distribution, the Programme said, consumer co-operatives play an important part; it is necessary to ensure proletarian influence in such co-operatives so as to effect the transition "from petty-bourgeois co-operatives of the old, capitalist type to consumer communes directed by proletarians and semi-proletarians"².

From the very first years of Soviet power, the Soviet state assumed control over the old, pre-revolutionary co-operatives; their work was reorganised in the interests of the urban and rural population.

¹ CPSU in the Resolutions and Decisions of Its Congresses, Conferences and Plenary Meetings of Its Central Committee, Part I, Seventh Edition, Moscow, 1954, p. 424 (in Russian).

² Ibid., p. 426.

When NEP was introduced, co-operatives served as the principal form of economic ties between town and country. They played a major role in the reinvigoration of commodity turnover during the restoration of the country's economy. Since industry was mostly in the hands of the state, private capital plunged headlong into trade as soon as NEP was announced. In these conditions, the socialist state widely employed co-operatives and trade in an effort to oust private capital from commodity exchange. The 13th Party Congress (1924) stressed the significance of this important aspect in the activities of co-operatives; in its decision On Co-operatives, it said that one of the tasks in the development of co-operatives was the ousting of private capital from trade, thereby ensuring comprehensive ties between the peasant economy and the socialist industry. Proceeding from Lenin's co-operative plan, the Party's Congress noted the outstanding role of co-operatives, under the dictatorship of the proletariat, in building socialism in a country with a tremendous number of small peasant farms.

The development of co-operatives and state trade helped the Soviet state oust private capital from trade. In 1924/25 co-operatives and state trade, taken together, accounted for 72 per cent of the total trade turnover in the country, whereas in 1925/26, they accounted for 75.6 per cent; and in 1926/27, for 81.9 per cent. In the period from 1924/25 to 1926/27 the share of co-operatives in the country's trade turnover increased from 39.5 to 57.7 per cent.

A big role in organising the trade bond between the state industry and the peasant economy belongs to consumer and agricultural co-operatives. Consumer co-operatives deliver the peasant from the mediation of the merchant. The consumer co-operatives involve millions of peasants in organised trade. Thanks to the development of consumer co-operatives, the peasants are acquainted with the habits of collectivist relations. They take part in managing the affairs of the co-operatives and control their activities. Being the simplest and most comprehensible form of co-

operation, consumer co-operatives involve millions of peasant households in their activities.

With the help of consumer co-operatives, the socialist state not only supplies the organised peasantry with manufactured goods, but also procures raw materials and farm products.

In the USSR, consumer co-operatives involved during the period of economic restoration a considerable number of peasant households. By October 1, 1925, there were 24,028 rural co-operative societies with a membership of 5,041,000. In the next two years the membership quickly increased. By April 1, 1927, there were 27,531 rural societies with a membership of 8,511,200. In the second half of 1927 consumer co-operatives involved 38 per cent of peasant households.

Many of the socialist countries (Bulgaria, Hungary, Rumania, Poland, Czechoslovakia) used pre-revolutionary co-operatives for establishing trade ties between town and country.

In Czechoslovakia, for instance, consumer co-operatives played an important part in transforming small private trade into socialist trade after the establishment of the dictatorship of the proletariat. In 1951 total retail trade increased by 45 per cent over 1949. While state retail trade over this period increased only by 65 per cent, that of consumer co-operatives increased by 130 per cent. At the same time, private retail trade decreased by 87 per cent. Particular attention was paid to the further improvement of the activities of consumer co-operatives in the countryside and to enhancing their significance in the development of trade between town and rural areas. In view of this, beginning with 1952 consumer co-operatives opened new shops in villages only; in towns and some districts consumer-co-operative shops were transferred to state trade. Independent consumer co-operatives were also set up in the countryside. All this improved the supply of manufactured goods to the peasants; in addition, consumer co-operatives purchased farm products from peasants at preset prices. Thus, the development of consumer co-operatives was very important not only for improving supply lines to the peasant.

At a time when there still existed many individual peasant households, consumer co-operatives acted as a marketing agent for their products. By strengthening the trade bond between town and country, they increased peasant interest in the development of agricultural production.

After the establishment of the dictatorship of the proletariat, various forms of supply, marketing and other co-operatives became quite widespread in all the socialist countries. In Bulgaria, for example, 1.6 million peasants were members of consumer co-operatives at the end of the 1950s; there were approximately the same number of members in the consumer co-operatives in Hungary. In many socialist countries (Albania, the Democratic Republic of Vietnam, the GDR, China, the Korean People's Democratic Republic and Mongolia) consumer co-operatives were only set up during the transition period from capitalism to socialism.

In the Soviet Union, there emerged many machine, tractor, land reclamation, cattle-breeding and other societies which gradually introduced the peasants to collective labour, showed them the strength and advantages of production co-operation, and helped them understand that only by uniting in collectives could they most efficiently utilise tractors, farm machines and the achievements of agronomy. These lower types of production co-operatives gave birth to the elements of new, socialist production relations which were eventually developed during the transition to the collective-farm type of production.

In the first years of Soviet power, the credit agricultural co-operatives prevailed. Later on, when local co-operatives began to grow, there was a tendency towards their specialisation. In 1922 the RSFSR created three All-Russian centres of co-operatives: the Union of Agricultural Co-operatives (*Selposoyuz*), the Union of Flax and Hemp Growers (*Lnotsentr*) and the Central Union of Potato Growers Co-operatives (*Soyuzkartofel*). In 1927 there were 13 centres of agricultural co-operatives, indicating the development of a broad local network of co-operatives which called for the creation of large co-operative associations. In the first half

of 1922, there were at least 130 unions of agricultural co-operatives in the Ukraine.

Agricultural co-operatives and their simplest production forms were schools for peasants promulgating the spirit of collectivism and demonstrating the need for the transition to the large-scale, collective economy based on group, collective-farm ownership.

By 1929, 45.5 per cent¹ of households had joined agricultural co-operatives; all types of co-operatives, including consumer co-operatives, involved the overwhelming majority of peasants.

Agricultural co-operatives became widespread in the other socialist countries. In the GDR, for example, all the marketing, supply and credit functions, prior to the mass production co-operation, were performed by specialised co-operatives which in 1951 were incorporated into the unified Association of Peasant Mutual Assistance (the peasant trade co-operative).

The Association included trade and other co-operatives. In 1956 the 2,430 trade co-operatives had a membership of more than 641,000. The creation of this powerful organisation ensured co-operative dominance in the sphere of circulation; it limited the spontaneous tendencies of small commodity production and helped eliminate kulak influence in co-operatives. It was an important step towards the implementation of the Marxist-Leninist economic policy during the transition period in the GDR—the commodity-money relations between town and country were fully employed as an instrument for the consolidation of the alliance of workers and peasants, as a means of drawing the peasantry closer to the socialist reorganisation of agriculture.

Of particular note are the various forms of agricultural co-operation in Poland where production co-operation is not complete as yet. Most widespread there are the agricultural circles unified by the Union of Agricultural Circles. This form of co-operation has been retained since the times of bourgeois Poland. The old circles were mainly concerned with educational activities (related to agricultural production) among the peasantry, but the new cir-

cles link their activities with the solution of concrete production problems faced by the countryside, thus gradually introducing the peasant to socialism. Moreover, a major role is played by supply-and-marketing co-operatives (universal, specialised: dairy, vegetable, cattle-breeding, sugar-beet, credit and so on) members of the Peasant Mutual Assistance Association.

Credit and supply-and-marketing co-operatives, created simultaneously with production co-operatives and ensuring economic ties between town and countryside are most widespread in the Democratic Republic of Vietnam. At the end of 1958 there were 204 supply-and-marketing co-operatives in the country, with a membership of more than 1,347,000, and 3,000 credit co-operatives with a membership of 335,100.

The system of contracts, which is of great significance for the establishment of organised commodity turnover between the socialist industry and the small peasant countryside, is closely connected with the development of agricultural co-operation. Contracts are signed by the state for a period of several years with individual peasants, whole villages which are members of agricultural co-operatives and with collective farms. These agreements stipulate conditions of production and marketing for households, as well as quantities and quality of products. The contracts introduce a planning element in agricultural production, to some degree subsuming peasant production to the needs of state industry. They directly link up the peasant economy with socialist industry and are one of the principal methods for the organisation and development of production societies. The decision of the CC CPSU (B) of June 27, 1929, stresses that contracts are the primary method for the organisation of production and production co-operation of peasant households.

By virtue of these contracts, industry receives the required raw materials on schedule. On the other hand, the contracts are advantageous for the peasants because they guarantee the marketing of products at definite prices. Thus, peasants can be supplied with farm implements, machines, fertilisers and seeds by the state through co-operatives in exchange for their products.

In the Soviet Union, the contract system was quickly promoted after endorsement by the Party 15th Congress (1927). In the resolution "On the Work in the Countryside", the Congress noted that contracts "can and should serve in the future as one of the most important means for spreading peasant production co-operation in the true meaning of the expression, i.e., the voluntary association of small producers connected, through co-operatives, with socialist industry".¹

Originally, contracts were signed for industrial crops. When industrialisation was placed on the agenda, it became necessary to furnish industry with raw materials. Contracts during that period ensured the sowing of greater acreage of cotton, flax and other industrial crops. In 1926-27 they accounted for 88 per cent of all acreage under cotton, and 81.2 per cent of all acreage under sugar-beet.

Contracts became widespread in 1928 when they included grain crops. In 1928-29 contracts covered 22 per cent of the total sown acreage, in 1929-30 the figure rose to 70.2. During the same period the share of all the products to be delivered under contracts in the overall commodity output of agriculture went up from 40.3 to 77.8 per cent, and the share of contracts in procurements went up from 46.5 to 84.1 per cent.

By that time, contracts in field-crop cultivation became a method for the organisation of production and production co-operation; in cattle-breeding and vegetable and fruit growing the existing forms of contracts were of a purely commercial nature. It was necessary to make long-term contracts serve as a fully developed system of measures for the technical reorganisation of cattle-breeding and vegetable and fruit growing along socialist lines. Such contracts stimulated not only the development of production, but also the organisation of peasants in societies for the joint utilisation of the means of production and best fulfilment of provisions in the contracts.

In 1929, the agricultural co-operatives carried out, on a contractual basis, much work on the organisation of a

¹ *The CPSU in Resolutions...*, Part II, p. 477.

local network of societies. For example, the system of grain co-operatives began to set up production (grain) societies. By October 1, 1928, the Khlebotsentr (Grain Centre) had 5,008 grain societies with a membership of 158,000; by May 1, 1929, the number of these societies rose to 18,582 with a membership of 799,700.

Many of these societies partially or wholly cultivated the land jointly, giving birth to collective-farm ownership. The societies obtained into their joint possession tractors and other farm machines; they gradually socialised some of the basic means of production. The degree of maturity of public ownership in such societies was not high enough; here collective ownership in individual means of production was in the form of group property. However, these societies, frequently proliferating on a contractual basis, showed how the establishment of economic ties between town and country and how the regulation of trade turnover on the basis of new, socialist principles helped the peasants to understand the economic necessity of production co-operatives.

So, the development of all types of co-operatives and contracts in conditions of commodity-money relations is of great significance for the expansion of economic ties between town and country. These ties contribute to the development of organised, socialist trade in the interests of the working class and the toiling peasantry and to the detriment of the capitalist elements in town and country. Co-operatives consolidated the alliance of the working class and the peasantry. At the same time, the development of co-operatives and contracts is an important prerequisite for the socialist reorganisation of peasant households. The development of all types of co-operatives and the incorporation by these co-operatives of the majority of peasants was a milestone in the implementation of Lenin's co-operative plan.

CHAPTER II

DISTINCTIVE FEATURES OF THE ORGANISATION OF PEASANT HOUSEHOLDS INTO PRODUCTION CO-OPERATIVES IN THE USSR AND THE OTHER SOCIALIST COUNTRIES

§ 1. COLLECTIVISATION OF AGRICULTURE IN THE USSR

Collectivisation in the USSR was conducted in two stages. The first stage (1917-1929) represented the preparatory period. The second (1929-1934) was the period of mass collectivisation. The socialist reorganisation of agriculture was in the main completed by the close of the second stage. After that it was only a matter of completing collectivisation throughout the country.

The first period was one of preparatory work for the transition to mass collectivisation: the nationalisation of land, initial industrialisation, the wide-scale introduction of the simplest forms of co-operatives, the restricting and ousting of capitalist elements in the countryside.

In the beginning of this period, the Soviet state, having won the commanding heights of the economy, implemented a series of measures for strengthening the alliance of the working class and the peasantry. The Party's Eighth Congress in 1919 was the turning point in its policy in respect to middle peasants.

Lenin always took into account specific historical conditions in determining the forms of the alliance between the working class and the peasantry. He arrived at the conclusion that at different stages of the revolution, the working class would have various strata of peasants as its allies. In the bourgeois-democratic revolution, the entire peasantry could be the ally of the working class because it was wholly interested in the overthrow of the tsarist autocracy and in the eradication of the vestiges of feudalism and serfdom. At the stage of the socialist revolution, the prole-

proletariat's ally was the poor peasantry, interested in the victory of the working class over the bourgeoisie, including the capitalist elements in the countryside. These two Bolshevik slogans corresponded to the two stages of the revolution—the bourgeois-democratic and the socialist; they reflected the alignment of the class forces in the country and determined the Party's strategy during the transition from one stage of the revolution to the other.

When the proletariat was fighting for the establishment and then consolidation of power it supported an alliance with the poor peasants; in respect to the middle peasants, it pursued a policy of neutralising them since they wavered between the proletariat and the bourgeoisie. The neutralisation of middle peasants was achieved by satisfying their economic interests. Soviet power gave land to the peasants and took steps to improve their position. In addition, the peasants discovered that where the interventionists and counter-revolutionaries temporarily gained the upper hand, they quickly restored the old order and returned land to the landlords. As the Red Army scored victory after victory, the middle peasants began to realise that it was defending them from the landlords and the old order. That was why the masses of middle peasants began to sympathise with the Soviet government.

A major role in the consolidation of the dictatorship of the proletariat was played by Committees of the Poor which were set up in June 1918. The Committees helped to confiscate nearly 50 million hectares of land from the kulaks and redistribute it among poor and middle peasants. The work of the Committees helped to implement the Party's slogan advanced by Lenin in November 1918: "The task at the present moment is to come to an agreement with the middle peasant—while not for a moment renouncing the struggle against the kulak and at the same time firmly relying solely on the poor peasant."¹ This slogan corresponded to the new conditions in the countryside when the middle peasant, who had become the central figure in the village, began to side with the Soviet government. The firm alliance

of the working class and the toiling masses of peasants was further consolidated after the replacement of the War Communism policy by NEP.

The amalgamation of small peasant households in large collective farms was regarded by the Communist Party from the very first years of Soviet power as the basic means of building socialism in the countryside. The Party realised that a definite time would be needed to accomplish the task and gradually and unhurriedly convince millions of peasants of the need for the transition to large-scale farming. The Party placed great weight upon the first collective farms which through force of example encouraged the peasants to follow suit.

The Party's Programme, adopted at its Eighth Congress, stated that Soviet power had begun the implementation of a series of measures intended for the organisation of large-scale socialist agriculture. Among these measures, the Programme listed assistance to societies for the collective cultivation of land and to agricultural communes as completely voluntary unions of peasants for large-scale farming.

Lenin regarded the organisation of collective farms as one of the most complicated and important tasks, the accomplishment of which required massive and persistent work among the peasants to convince them of the advantages and necessity of collective farming. Lenin said that when the peasant saw the advantages of collective farming he "will then be entirely on our side"¹. He warned against any coercion: "*Coercion applied to the middle peasants would cause untold harm*".² In the resolution "On the Attitude Towards the Middle Peasantry" drafted by Lenin, the Party's Eighth Congress pointed out that Soviet officials should not apply coercion in any form while organising agricultural associations or communes.

The first collective farms made progress only through the material support offered by the Soviet state. Addressing the First Congress of Agricultural Communes and Artels on December 4, 1919, Lenin said that "we would not be Communists and champions of socialist economy if we did

¹ V. I. Lenin, *Collected Works*, Vol. 28, p. 191.

¹ V. I. Lenin, *Collected Works*, Vol. 29, p. 214.

² Ibid., p. 210.

not give state aid to every kind of collective agricultural enterprise".¹

He stressed that state aid from the multi-million ruble fund and other sources was being given to make communes and artels into model enterprises and to prove to the peasants that "collective farming, as a form of transition to socialism, is something of benefit to them, and not a whim or the ravings of a disordered mind".² At the same time, Lenin pointed out that Soviet power would do everything to render state assistance only when the labour communes and artels had actually established closer contacts with the life of the peasants around. By collective-farm assistance to peasants Lenin implied that "it must enable the peasants to replace their isolated, individual farming by co-operative farming".³

In spite of the difficult economic and financial position of the Soviet Republic in the years immediately following the Revolution, the Soviet Government rendered considerable financial assistance to collective farms. By the decision of July 3, 1918, the government allocated 10 million rubles, and by the decision of August 3, 1918, 50 million rubles in aid to the state farms and communes. Late in 1918, the Soviet Government had set up a multi-million ruble fund for the development of agriculture. The government's decree provided for grants and credits to agricultural communes and labour societies, and also to rural societies or groups on condition that they would go over to collective cultivation and harvesting. The state also provided seeds, farm implements, etc.

In December 1918 the All-Russia Congress of Land Departments, Committees of the Poor, and Communes was convened. The Congress played an important part in stimulating the first collective farms.

The results of the Congress were reflected in the "Instrument on Socialist Land Settlement and Measures for the Transition to Socialist Agriculture" endorsed by the All-Russia Central Executive Committee. The "Instrument" stressed that the transition from individual land tenure

¹ V. I. Lenin, *Collected Works*, Vol. 30, p. 198.

² Ibid., p. 200.

³ Ibid., p. 204.

to collective farming was imperative for the elimination of all exploitation of man by man, for the organisation of agriculture on socialist principles with the application of all achievements of science and engineering, for educating the working people in the spirit of socialism, as well as for the alliance of the proletariat and the village poor in the struggle against capitalism.¹ It points out that the best means of achieving this end are state farms, communes, land-cultivation associations and other forms of collective farming. In view of this, all forms of individual land tenure should be regarded as obsolete and moribund.

The Soviet Government indicated in the "Instrument" that "the land fund goes, in the first place, to supply the needs of state farms and communes, in the second, to supply the needs of labour artels, associations and collective land cultivation, and in the third, to provide individual land tillers with the means of sustenance".²

The "Instrument" stresses that the Soviet Government, while paying attention to the needs of individual peasants, attributed primary significance and gave preference to the further development of collective farms. Collective farms were the nuclei of new and more progressive forms of socialist economy in the countryside. The future was theirs.

At the same time, the "Instrument" proceeded from the instructions of the Party and its leader, Lenin, that peasants should be moved to the socialist rails gradually, without unnecessary hurry. This found reflection in Clause 4, which said that the organisation of land exploitation implied a whole range of technical measures for the gradual socialisation of individual land tenure.

The "Instrument" formulated the basic principles for the organisation of various forms of socialist agriculture (state farms, agricultural communes and land-cultivation associations as the most acceptable and understandable forms of collective farming at the initial stage).

In the period preceding complete collectivisation the number of collective farms grew considerably, thus indi-

¹ See *Instrument on Socialist Land Settlement and Measures for the Transition to Socialist Agriculture*, Moscow, 1919, p. 2 (in Russian).

² Ibid., p. 3.

cating that the masses of peasants were beginning to participate in the organisation of new, socialist forms of economy and the new, socialist life. The first collective farms were set up late in 1917 and early in 1918.

The first agricultural artel was set up in October 1917 in Tsarevsky Uyezd, Astrakhan Gubernia. In the same year the Kolos II Commune was organised on a former landed estate in Kingisepp Uyezd, Petrograd Gubernia. On January 17, 1918, a commune was set up in Voskresensk Volost, Galich Uyezd, Kostroma Gubernia. This commune, also on a former landed estate, incorporated 11 families (40 people) of landless peasants. It had its own Rules approved by the Galich Uyezd Soviet. On February 15, 1918, a commune (the Yerzovskaya Commune), incorporating 15 families (64 people) of poor peasants and workers, was organised in Tsa-ritsin Uyezd, Saratov Gubernia. Agricultural communes and artels began to spring up in Kursk and Tula gubernias. Later in 1918, communes appeared in Orel, Tver, Vologda and other gubernias. In Siberia, the first communes were set up in 1918 (in Altai Gubernia, by workers from Petrograd and sailors from Kronstadt). On July 5, 1918, the *Bednota* newspaper mentioned the Nash Put (Our Road) group of Petrograd workers and Kronstadt sailors who were allocated 450 desyatins¹ of land in Loktev Volost, Barnaul Uyezd. The same newspaper mentioned other communes in the then Tomsk Gubernia, namely the International Commune, the first on the Ob, incorporating 200 peasants and a commune in Karuan Volost.

So, the first collective farms could already in 1918 be found not only in the central, but also in many other gubernias.

A conspicuous role in the organisation of collective farms belonged to the Committees of the Poor. It was due to their activities that the number of agricultural communes and artels began to increase after June 1918. In that year there was a total of 1,600 collective farms in the country.

The first collective farms were organised by industrial workers who moved to the countryside from the towns,

¹ Desyatina = 1.0925 hectares.

workers specially assigned for the organisation of communes, farm workers from the former landed estates, poor peasants and demobilised soldiers. Some communes were organised by the village intelligentsia, and in many cases such communes incorporated only the intelligentsia.

At the first stage of NEP, the number of collective farms began to decrease. Though many new collective farms were being set up in the first years of NEP, particularly in the second half of 1921 and in 1922-1923, quite a few were abolished because many prosperous and kulak elements had joined them in the period of War Communism. These elements used the signboards of collective farms in the attempt to evade surplus requisitions and save their property; they also wanted to take advantage of state aid for selfish purposes. Actually, such co-operatives were pseudo-collective farms.

Growth of Collective Farms in 1918-1925

| Years | Number of collective farms (in '000) | Number of collective-farm households (in '000) | Percentage of peasant households involved |
|-------|--------------------------------------|--|---|
| 1918 | 1.6 | 16.4 | 0.1 |
| 1919 | 6.2 | 81.3 | 0.3 |
| 1920 | 10.5 | 131.0 | 0.5 |
| 1921 | 16.0 | 227.9 | 0.9 |
| 1922 | 14.0 | 217.0 | 0.9 |
| 1923 | 16.0 | 228.0 | 0.9 |
| 1924 | 16.3 | 211.7 | 0.9 |
| 1925 | 21.9 | 293.5 | 1.2 |

The tax in kind and a certain freedom in trade somewhat stimulated the development of capitalist elements in the countryside. Prosperous peasants and kulaks regained the opportunity to exploit hired labour. The kulaks began to fight against the collective farms. They succeeded in recruiting some middle peasants who began to prefer individual farming after the introduction of NEP. This is exactly why the pseudo-collective farms and some weak, unstable farms

began to disintegrate. The number of such farms was considerable. In Siberia, for instance, 274 collective farms (16 per cent of the total number) collapsed in the period from June through October 1921. Most of them (240) were in Altai Gubernia where kulak elements were numerous in collective farms.

Another reason was that in 1921 and subsequent years the farms run by industrial workers and office employees began to disintegrate due to the restoration of industry.

As a result, the collective farms were rid of kulak and unstable elements. Only strong and stable farms remained. The report of the Novonikolayevsk Gubernia Land Department said that in December 1922 and January 1923 there were 30 economically and politically strong collective farms in Cherepanov Uyezd, 35 in Novonikolayevsk Uyezd, 6 in Kurgat Uyezd, 5 in Kain Uyezd, and 44 in Kamensk Uyezd.

The disintegration of collective farms also continued in 1924-1925, but on the whole the number of collective farms over these years had increased. In 1923 there were once again as many farms as in 1921; in 1924 and 1925 many new ones appeared.

After the introduction of NEP, the Communist Party through explaining work rebuffed all panic-mongers and capitulators who regarded NEP as a refusal to build socialism. The socialist state explained the need to develop the co-operative movement in the countryside and organised a single system of agricultural co-operatives including collective farms. While supporting and developing all types of agricultural co-operatives, the Party and the Soviet state paid particular attention to the collective farms. In the resolution "On Russian Communist Party Work in the Countryside", which the Party's 12th Congress adopted in 1923, it was said that "agricultural associations, artels and communes must be given preferential aid by state agencies, particularly so since they are economic associations of poor peasants".¹

Stressing that the collective farms should be organised with strict observance of the principle of voluntariness, the

Congress pointed out that "the Party and the Soviet state must enhance the consolidation and improvement of agricultural collectives as culturally and economically progressive forms of peasant economy".¹

An important effect on the development of collective farms had the resolutions "On Co-operation" and "On Work in Rural Areas" adopted by the Party's 13th Congress. The Congress drew up a broad programme for further developing the co-operative movement in the countryside—one of the decisive conditions for the peasants to change over to collective farming. Particular stress was laid on the significance of agricultural production co-operatives, which were to be charged with the organisation of collective farms.

The Communist Party and the Soviet state took concrete steps to help the collective farms. In October 1922, for instance, the Land Code endorsed by the All-Russia Central Executive Committee abolished strip holdings and fixed that collective farms should be allocated land in one place and convenient for cultivation. The collective farms were also given low-interest credits, discount rates in paying agricultural taxes and many other privileges from the Soviet state.

The collective-farm movement gained momentum after the Party's 15th Congress in December 1927 when attention was focused on the collectivisation of agriculture. The resolution "On Work of the RCP in the Countryside" said that the Party's principal task in rural areas in that period was the unification of small individual peasant households and their reorganisation into large farms.

The Congress endorsed the Central Committee's decision of December 30, 1926, on the results of the organisation of collective farms and state farms; it instructed all organisations and co-operative agencies to intensify the organisation of collective farms and the strengthening of state farms.

After the 15th Congress, the Party and the Soviet state initiated large-scale organisational work for building new and strengthening old collective farms. In 1928 there were 33,300 collective farms, incorporating 416,700 peasant

¹ *The CPSU in Resolutions..., Part I*, p. 749.

¹ *The CPSU in Resolutions..., Part I*, p. 749.

households—1.7 per cent of the total number of peasant households in the country. By July 1, 1929, the number of collective farms had grown up to 57,000 with 1,007,700 households—3.9 per cent of the total number; collective farms accounted for 4.9 per cent of the sown acreage.

Thus, collective farms began to grow in number long before mass collectivisation indicating that the idea of socialist, collective farms was winning the support of hundreds of thousands of peasants who gradually became convinced of the need to go over to collective farming, regarding this transition as the only egress from age-long misery and kulak exploitation. It also meant that the alliance of workers and peasants was growing stronger. The majority of peasants found that the road taken by the working class towards the new, socialist life was correct; they began to trust the great revolutionary transformations undertaken by the working class with the Communist Party at the head, and they willingly joined the working class in building socialism.

From the very beginning the collective-farm movement had a strictly class character. The Communist Party and the Soviet state always stressed the need to apply the class principle in organising collective farms. The latter constituted a form of the organisation of poor and middle peasants and served as strongholds for the Soviet state in its struggle against capitalist elements in the countryside.

The first to start collective farming were poor peasants. They were the first to feel the necessity of organising collective farms. Soviet power gave them land, it had to be cultivated but this could not be done because poor peasants had no draught animals or farm implements. The Soviet government offered them, through the agency of Committees of the Poor, draught animals and farm implements confiscated from the landlords. Advanced peasants from the poor began to organise collective farms so as to employ efficiently the means of production provided by the Soviet state.

Middle peasants also began to join collective farms from the very outstart. The imperialist war and the Civil War had weakened their farms; the manufacture of farm implements was at a nearly total halt, the number of draught animals had been considerably reduced. In the collective

farms, middle peasants could cultivate the land and improve their material position much more quickly.

In the first years of Soviet power, most members of collective farms were poor peasants, while middle peasants preferred to join land cultivation associations and artels. At the same time the number of prosperous peasants in all forms of collective farming was reduced. The USSR State Planning Committee gives the following figures (in percentage) for the social structure of collective farms in 1920/21 and in 1925:

| Groups of peasants | Communes | | Artels | | Associations | |
|--------------------|----------|------|---------|------|--------------|------|
| | 1920/21 | 1925 | 1920/21 | 1925 | 1920/21 | 1925 |
| Poor | 71.0 | 85.7 | 60.0 | 73.6 | 55.0 | 50.2 |
| Middle | 23.3 | 12.8 | 36.4 | 25.2 | 42.4 | 48.7 |
| Prosperous | 5.7 | 1.5 | 3.6 | 1.2 | 2.6 | 1.1 |
| Total | 100 | 100 | 100 | 100 | 100 | 100 |

In 1926 the social structure of collective farms underwent a certain change. This can be seen from a survey conducted by the International Agrarian Institute of 66 collective farms in four different areas of the USSR (p. 86).

In 1926 the percentage of middle peasants increased, and it continued to rise, particularly after the Party's 15th Congress. For comparative percentages calculated by the All-Union Council of Collective Farms on the basis of data collected from 1,042 collective farms organised before October 1, 1927, and 4,407 farms organised in the RSFSR in 1928 (see table on p. 87).

Thus, a gradual rise in the percentage of middle peasants represented the general trend in the changing structure of collective farms during that period. It should also be noted that at first a considerable number of collective-farm members were workers and intellectuals, whereas later on their numbers began to decline considerably. Prior to mass collectivisation the collective farms were organisations of poor and middle peasants.

Economic Position of Co-operative Members Before
They Joined Collective Farms (as a percentage of the total)

| Types of collective farms | Land Possessions | | | | | Ownership of Horses | | | | | Ownership of Cows | | |
|---------------------------|------------------|----------------|-----------------|-------------------------|------------|---------------------|----------|----------|----------|-------|-------------------|--------|--|
| | land-less | 1-3 de-syatins | 3-15 de-syatins | more than 15 de-syatins | horse-less | 1 horse | 2 horses | 3 horses | Cow-less | 1 cow | 2 cows | 3 cows | |
| Communes | 70.9 | 14.2 | 10.7 | 4.2 | 74.3 | 17.7 | 6.5 | 1.5 | 70.4 | 20.4 | 7.7 | 4.7 | |
| Artels | 34.1 | 23.4 | 30.6 | 11.9 | 59.0 | 31.9 | 7.2 | 1.9 | 44.1 | 35.6 | 17.2 | 3.1 | |
| Associations | 29.4 | 24.4 | 39.2 | 7.7 | 48.4 | 48.4 | 3.8 | — | 35.4 | 51.9 | 11.5 | 1.2 | |
| Average | 52.0 | 18.9 | 21.6 | 7.6 | 65.6 | 26.3 | 6.5 | 1.5 | 56.3 | 29.6 | 8.4 | 6.9 | |

| Types of farms | Horseless households | One-horse households | Two-horse households | Three-horse households | Four-horse households |
|---|----------------------|----------------------|----------------------|------------------------|-----------------------|
| In old collective farms as of October 1, 1927 | 45.2 | 38.9 | 10.6 | 2.7 | 2.6 |
| In new collective farms as of October 1, 1929 | 35.2 | 47.2 | 14.3 | 2.5 | 0.8 |

The tremendous work accomplished by the Communist Party and the Soviet state in creating the prerequisites for the socialist transformation of agriculture and the positive experience gained during the initial stage of the collective-farm movement created, by 1929, the necessary conditions for transferring millions of peasant households to production co-operation. By that time most of the peasants had begun to favour collectivisation. The second stage of collectivisation was started—the mass organisation of peasant households into production co-operatives.

The choice of the time for the transition to mass collectivisation depended on several factors.

The contradiction between large-scale socialist industry and the small commodity peasant economy became more pronounced because of the first conspicuous successes in the country's industrialisation. While in 1927 and 1928 industry had considerably outstripped the prewar level and continued to develop at high rates, agriculture, although it had as a whole exceeded the prewar level, remained a dispersed, backward small commodity economy incapable of increasing the amount of marketable surplus product. To wit, the marketable surplus grain in this period reached only 37 per cent of the prewar level.

Before the October Revolution, the main producers of marketable grain were big landlord and kulak farms. The enforcement of Soviet agrarian laws eliminated the landlords as a class and considerably undermined the economic strength of kulak farms. The policy of restricting and ousting the kulak had the desired effect of drastically reducing the

number of kulak farms. Middle peasants became the main producers of grain. The farms were splitting up and diminishing in size. In 1928 there were 24 to 25 million individual peasant households compared with 15 to 16 million before World War I. This meant that agriculture was founded on small peasant units which were frequently incapable even of simple reproduction.

The supply of bread for the working class and the army was threatened. Small commodity production obstructed the further development of industry, it could not supply it with the required amount of raw materials. The low rate of development in agriculture endangered the country's industrialisation.

The Soviet government could not for a long time carry on the building of socialism on two different bases—the highly efficient and amalgamated socialist industry and the most dispersed and backward small commodity peasant economy, the productivity of which lagged far behind that of industry. There was imperative need to speed up the development of the productive forces in agriculture. Further lags in agriculture and a growing disproportion in the development of industry and agriculture threatened to disrupt the entire course of extended socialist reproduction. In order to promote the productive forces of the entire economy, it was necessary to overcome the contradiction between socialist large-scale industry and small commodity, dispersed production in the countryside.

The Communist Party and the Soviet state, in choosing the time for the transition to mass collectivisation, also kept in mind that it was necessary to abolish the kulaks—the last exploiting class—if socialism were to be built in the countryside. The kulak was the deadliest enemy of the collective-farm movement. But to destroy him as a class, it was first necessary to set up the material basis for replacing the kulak's capitalist production by socialist collective- and state-farm production. Until such a foundation was laid, the Communist Party and the Soviet Government followed the policy of restricting and ousting kulaks. In 1927 kulaks produced 600 million poods of grain, of which 130 million poods went to the market. Collective farms and state farms

produced some 80 million poods, of which 35 million poods reached the market. Under the circumstances, a decisive offensive against the kulaks and their complete liquidation would have meant defeat and starvation for the towns. This is why the Party at that time continued the policy of restricting the exploitative tendencies of kulaks.

In 1929 the situation radically changed. The collective farms and state farms produced at least 400 million poods of grain, including more than 130 million poods of marketable grain. In that year the country created the material basis for replacing kulak production by collective- and state-farm production. This helped to shift over from the policy of restriction and ousting to one of eradicating the kulaks as a class by way of complete collectivisation. It prompted the mass application of peasants for membership in collective farms and ensured high rates of collectivisation.

In 1929 collective farms incorporated one million peasant households. In the last quarter of 1929 twice as many peasant households joined the collective farms as in the whole period from 1917 to 1929. The rates of collectivisation were particularly high in the Northern Caucasus where 25 to 30 per cent of peasant households had joined collective farms by November 1929. High rates of collectivisation were also registered in the lower and middle reaches of the Volga, the steppelands of the Ukraine, the Central Black-Earth Region and in the Urals.

The peasants launched a mass struggle against the kulaks. Individual households in complete collectivisation areas were forbidden to hire farmhands; land leases were abolished. The peasants in those areas expropriated kulak lands and means of production, turning them over to collective farms.

The collective-farm movement scored remarkable successes on the eve of the Party's 16th Congress (1930). There were already 90,000 collective farms, incorporating a total of 5.7 million peasant households. After the Congress, the movement continued to spread. The year 1929 was the turning-point, whereas 1930-1932 were the peak years of collectivisation. The number of collective farms increased to 211,100, while the percentage of collectivisation of peasant households went up from 23.6 in 1930 to 61.5 in 1932.

In 1934 the peasants organised 233,300 collective farms accounting for 87.4 per cent of the total sown acreage of the peasants and 71.4 per cent of the total number of households. This marked the completion of mass production co-operation of peasant households—the second stage of collectivisation. The USSR had been transformed from a country of small peasant economy into the world's largest-scale agricultural country.

The second stage of collectivisation was characterised by high rates of socialisation.

Socialisation by the Spring of the Corresponding Year

| Indicators | 1929 | 1930 | 1931 | 1932 |
|---|------|------|------|------|
| Percentage of the collectivisation of sown area | 3.6 | 30.9 | 63.0 | 75.6 |
| Percentage of draught animals in collective farms | 1.2 | 17.3 | 50.5 | 61.9 |
| Percentage of cows in collective farms | 0.6 | 5.4 | 14.8 | 20.1 |

The large-scale socialisation of peasant sown lands, draught animals and farm implements gave birth to a powerful collective-farm production sector in agriculture which, together with state farms, covered up to 78 per cent of the total sown area in 1932.

The socialist sector began to play the decisive role in supplying the country with food and industry with raw materials. For instance, collective farms accounted for 77.3 per cent of the total amount of grain delivered to the state in 1932, as compared with only 10.2 per cent in 1929. The corresponding percentage of cotton deliveries by collective farms rose from 5.8 to 78.6 during the same period.

The great scope and high rates of the collective-farm movement in 1930-1934 demonstrated that as a result of the Party's and the Soviet state's tremendous work, the majority of peasants had begun to support socialism, firmly taking

the road of socialism. The question of "who will beat whom" in agriculture was settled in favour of socialism.

This was the first experience in mankind's history of solving the most difficult task of the socialist revolution. This is why, as Lenin said, we had at times to grope for the correct way. Mistakes were made of course during the search for expedient and scientifically based solutions; many officials ignored the will of peasants and became infatuated with communes. When ever the principle of voluntariness was violated, some of the collective farms proved unstable and quickly disintegrated.

The Communist Party, its Central Committee and the Soviet Government re-examined the complicated situation in the class struggle and directed their efforts towards a speedy correction of these errors. In their recent works, S. P. Trapeznikov, G. V. Sharapov and F. M. Vaganov examine in detail the Party's work during the collectivisation of agriculture. They stress the significance of the CC CPSU(B) decision of March 14, 1930, "On the Struggle Against the Distortion of Party Line in the Collective-Farm Movement" and other documents of the Communist Party and the Soviet Government relating to the collective-farm movement. These authors note the great significance of Stalin's article "Dizziness with Success" in the struggle against mistakes committed during mass collectivisation. On instructions from the Party's Central Committee, Stalin sharply criticised the extremes and errors, and stressed the firmness of Lenin's principles in the organisation of collective farms. Historians also acknowledge the positive role played by the CC CPSU(B) Politburo special commission, formed in December 1929 with Y. A. Yakovlev at its head, in preparing the CC CPSU(B) decision of January 5, 1930, "On the Rates of Collectivisation and Measures of State Assistance to the Collective-Farm Movement".

Some historians, however, have a one-sided approach to the mistakes and shortcomings that took place in the years of collectivisation. They highlight these errors and shortcomings in their analysis of the activities of the Communist Party and the Soviet Government in those years. By so doing they distort the reality and often denigrate the great

and heroic deeds of the Party and the people during the collectivisation; they distort the struggle of the Communist Party and its Central Committee for Lenin's principles in the collective-farm movement.

An illustration of this one-sided approach to the question of collectivisation is the article on this matter in the *Soviet Historical Encyclopedia*. The thing is not only that the author lays special emphasis on the mistakes made and turns the struggle for collectivisation into a struggle against distortions and mistakes. He speaks of the untimely "extreme hastening of collectivisation" in 1929. Moreover, he denies the fact that by that period the peasants had changed their minds in favour of collectivisation and that middle peasants had begun to join collective farms. The author of the article tries to prove that no foundations had been laid for the transition to mass collectivisation and for its high rates. He thus questions the correctness of the time chosen for changing over to mass collectivisation and makes an attempt to show that its rates were too high. The author attributes all this to Stalin's incorrect position, founded on "his disregard for the will of peasants and their devotion to individual farming".

It is a well-known fact that the Party's Central Committee headed by Stalin continually fought against the Leftist distorters who ignored Lenin's principle of voluntariness and who attempted to extend the struggle against the kulaks to middle peasants as well.

It is also a fact that the Party's 16th Congress noted in its decision the great part played by the timely, firm and resolute steps taken by the Central Committee in the struggle against distortions.

The collectivisation of agriculture was a revolutionary act, a leap from the old to a new qualitative state, from small, dispersed and inefficient peasant households to large-scale, highly efficient, socialist production in the countryside. Over a period of 8 to 10 years the great revolutionary transformation of agriculture brought about the victory of socialism in the countryside. The Soviet state performed this revolution with the direct support of millions of peasants.

The replacement of small-scale production by large-scale

socialist production in agriculture meant that the formation of new, socialist production relations, based on co-operation and mutual assistance of toilers free from all exploitation, was basically completed. The new production relations in the countryside reflect above all the new relation of peasants to the means of production. Collective farms are founded on collective, group ownership in the means of production and farm produce. In every collective farm all the basic means of production are socialised, they are the common property of the group of peasants who have joined the collective farm. All collective farmers stand in an equal position in respect to the social means of production. None of them owns the means of production personally, and consequently none of them can use the means of production for exploiting others. The collective farmers do not confront one another as private owners; quite the opposite—they enter into new relations of co-operation and mutual assistance as joint owners; they are united by the new relations to the means of production which have been turned into social means of production.

A new and powerful socialised sector of the economy was created as a result of mass collectivisation. It incorporated the bulk of farm implements and means of production. It was a process of socialising sown acreage, draught animals and farm implements on a large scale.

The collectivisation of agriculture brought into harmony the production relations in agriculture and the character of productive forces in the national economy as a whole. Thus, the socialisation of the means of production created the conditions for the further development of the entire national economy, and primarily for rapidly accelerating agricultural production.

It is well known that public property is the objective foundation on which the basic economic law of socialism can function. The completion of the process of formation of collective-farm, group property laid this objective foundation for the operation of the basic economic law of socialism in the countryside as well. The purpose of agricultural production became the satisfaction of the needs of all members of society.

The socialisation of the means of production opened up new vistas for the development of the productive forces. It means that the necessary conditions were set for supplying agriculture with modern machines—an important prerequisite for the continual growth of collective-farm production. The other economic laws of socialism began to operate in the collective-farm sector on the basis of the new property relations. These include the laws of balanced, proportionate development of the national economy, distribution according to the work done, saving working time, growing labour productivity.

§ 2. PEASANT CO-OPERATION IN THE SOCIALIST COUNTRIES IN EUROPE AND ASIA

Like the USSR the other socialist countries transformed their agriculture on socialist principles as industrialisation proceeded. But the forms and methods employed by the Communist and Workers' parties in these countries were different. Relying on Lenin's co-operative plan, they creatively used known and developed new forms of co-operation, with due regard for local conditions. The rates of the socialisation of agriculture were also different. In Albania, for instance, production co-operation was started in 1946, and by the beginning of 1950 there were 58 agricultural production co-operatives; in that same year their number jumped to 90, accounting for 5.4 per cent of the sown area in the country. The process proceeded gradually until 1956 when, at the end of the year, the number of agricultural co-operatives rose to 381 with 37,267 peasant households—24.3 per cent of the total number in the country.¹ Then the rates were increased, the middle peasants began to join the co-operatives *en masse*. Socialist production relations in agriculture

¹ The First Congress of Representatives of Agricultural Co-operatives held in Tirana in February 1949 was of great importance for the socialist transformation of agriculture. The Congress adopted the Rules of the Agricultural Co-operative establishing the conditions for membership, and the principles of the organisation of collective labour and payment in accordance with work done. The Rules fixed the size of the collective farmer's personal plot of land and husbandry.

emerged triumphant at the end of the 1950s. In 1961 there were 1,353 agricultural co-operatives which united 72.7 per cent of the peasant households.

Various forms of agricultural co-operation were broadly employed in Bulgaria. The swift and broad development of these forms was greatly influenced by the Great October Socialist Revolution. For example, the development of consumer co-operatives in Soviet Russia prompted the Bulgarian Communist Party to sponsor in 1919 the organisation of the Liberation Consumer Co-operative.¹ In 1923 this co-operative had a membership of 68,000. In 1934-1935 the number of members of numerous co-operative organisations topped 523,000, of which 160,000 were in agricultural co-operatives. Many of the co-operatives were headed by Communists or progressive co-operative workers.

Agricultural production co-operatives appeared in 1939-1940. Bulgaria at that time was a bourgeois country, therefore these co-operatives were in the sphere of operation of the economic laws of capitalism, but their large scale gave them many advantages over small-scale farming. Thanks to the support and influence of the Bulgarian Communist Party, the co-operative movement had a class edge to it, and it was the poor and middle peasants who mostly joined the co-operatives. Most of them succeeded in staying on until the victory of the national armed uprising on September 9, 1944. At that time there were 17 production co-operatives uniting 649 peasant households.

After the creation of the people's democratic state, the peasants launched a mass movement for the organisation of production co-operatives. By the end of 1945 there were 382 new agricultural co-operatives with a total of 343,662 peasant households. This explains the necessity of passing the Law on Labour Co-operative Agricultural Farms (April 1945) before the Law on the Agrarian Reform (March 1946).

The Law on Labour Co-operative Agricultural Farms (LCAF) laid down the fundamental provisions governing the

¹ Stanko Todorov, *The Struggle of Bulgarian Communists for the Socialist Reorganisation of Agriculture*, Moscow, 1959, p. 22 (in Russian).

organisation of co-operatives, labour remuneration and state assistance. The law stipulated that the farm implements, draught animals, production premises and other means of production in the possession of applicants for membership in co-operatives had to be socialised; labour and land tenure were also socialised. The general meetings of members fixed the size of personal plots. Income was to be distributed in accordance with the land share handed over by the peasant in joining the co-operative. Co-operative members were remunerated by either the amount of work-days they earned or by deductions from the co-operative's income. The first production co-operatives distributed 60 per cent of their incomes in accordance with work done, and 40 per cent in accordance with the quantity of land handed over. The first LCAFs under the dictatorship of the proletariat were formed as sections of general (universal) co-operatives. Their property was separate in a way, and they were more or less independent, though they could use the co-operative's buildings and implements. Later on, as they grew stronger, the LCAFs were turned into collective farms independent of consumer and supply-and-marketing co-operatives.

The Law on LCAFs provided for the setting up of machine-and-tractor stations which, at a fixed price, had to serve the production co-operatives with machines. The co-operatives were exempt from taxes for a period of three years to enable them to strengthen their material basis. In addition, the state helped them with seeds, pedigree cattle, credit facilities, etc.

The First National Conference of LCAFs in 1947 adopted important decisions on the organisation and remuneration of labour. In 1948 the amendments to the Law changed the procedure for the socialisation of vineyards and orchards in the private possession of co-operative members. Another amendment provided for the socialisation of all draught animals, cattle and implements, with the exemption of cattle and implements remaining in individual use. The Law provided for the organisation of independent LCAFs unconnected with local general co-operatives. The decisions of June (1949) Plenary Meeting of the Bulgarian Communist Party's Central Committee on expanding the activity of

rural co-operatives and the procurement of industrial and some other crops through contracts were of great importance for the further consolidation of the alliance between the working class and the peasantry. Procurement prices for grain were raised so as to stimulate the activity of co-operatives.

The first conspicuous successes in the socialist industrialisation of people's Bulgaria consolidated and strengthened the material basis of the first LCAFs and MTSs (machine-and-tractor stations). The Fifth Congress of the Bulgarian Communist Party (1948) stressed that the principal economic and political task during the five-year plan was to lay the foundation of socialism through the country's industrialisation and electrification and through co-operation and mechanisation of agriculture. Implementing the decisions of the Congress, the people of Bulgaria succeeded in raising the industrial output in 1949 by 150 per cent as compared with the 1939 level. Thus it became possible to increase the supply of agriculture with home-made farm machines.

Among the most important factors conducive to the rapid growth of industrial production was the assistance rendered by the Soviet Union and the other socialist countries. This assistance enabled the Bulgarians to continue the mechanisation of agriculture without waiting for the birth of the required branches of mechanical engineering in their own country.

In the first five years after the proclamation of the people's democratic republic, production co-operation in the countryside developed moderately: by 1949 only 14.2 per cent of peasant households had been united in LCAFs, and they possessed only 13.6 per cent of total arable land.

In those years, production co-operation proceeded slowly among peasant households but the newly founded co-operatives made a speedy headway. That was very important for preparing the masses of peasants for joining the LCAFs.

The peasants began to join the production co-operatives in large numbers after the Second National Conference of LCAFs (April 1950) which adopted the Model Rules governing the relations between the state and the LCAFs. Under the Rules, the co-operatives received the right to dispose

The Process of Agricultural Co-operation in Bulgaria

| | 1945 | 1946 | 1947 | 1948 | 1949 |
|---|-------|-------|-------|-------|-------|
| Number of LCAF ^s | 382 | 480 | 579 | 1,100 | 1,601 |
| Households in co-operatives ('000) | 4 | 41 | 46 | 124 | 156 |
| Land in co-operatives ('000 hectares) | 146.6 | 172.6 | 190.2 | 292.4 | 554.4 |

independently of the products left over after the fulfilment of obligations before the state (deliveries to the state, repayment of seed credits, clearance in kind of accounts with MTSs, setting up of funds, etc.). Income intended for remuneration according to work-days and for payment for the plot of land contributed was, under the Rules, to be distributed so that not less than 70 per cent of it went on payment according to the work done and up to 30 per cent—on payment for the land handed over to the co-operative. The Rules contained provisions which governed all the economic and other relations between co-operative members.

These Model Rules in large measure stimulated the co-operative movement. In 1950 the middle peasants began to join the co-operatives in large numbers—by the village or even district. Early in that year there were 1,600 LCAF^s compared with 2,608 as of December 31, 1950, and the number of co-operative households over the year increased from 156,500 to 537,600. In the next few years the process gained speed, and the rates were particularly fast in the autumn of 1956. Today the LCAF^s unite over 90 per cent of the country's peasant households and 90 per cent of all arable land. Only a few households in mountainous areas remain out of the co-operatives. This indicates that the socialist transformation of Bulgarian agriculture has been completed. At the Fifth Conference of LCAF^s in December 1957 Todor Zhivkov said that Bulgarian peasants, through a display of firmness and selflessness, were the second in Europe to win the great battle for socialism in the countryside and fur-

ORGANISATION OF CO-OPERATIVES

nished another example, however modest, of the advantages of the socialist system. In 1958 the number of co-operatives increased to 3,200; they accounted for 92.6 per cent of the country's farmlands. After the co-operative mergers of 1960, their number dropped to 932, but together with the state farms they accounted for 98 per cent of farmlands.

As we have seen, in Bulgaria production co-operatives appeared before the reform, while in Hungary they first appeared only after the agrarian reform of 1945. They were set up by poor peasants and farm workers on former landed estates. Between 1945 and 1948, however, only the first steps were taken for the establishment of peasant production co-operatives.

The Hungarian Working People's Party decided to implement Lenin's co-operative plan only in 1948 when the conditions had ripened. In industry, the state sector already accounted for 85 per cent of the total output, progress had been achieved in the development of farm engineering, and agriculture was thus provided with more machines and fertilisers. The first eleven MTSs were set up in 1948. Various forms of co-operatives—consumer, supply-and-marketing, credit and other inferior forms—were making progress in the rural areas. It was decided to strengthen all forms of co-operatives, including production, consumer, and marketing co-operatives. Attention was concentrated on the ousting of exploitative elements from consumer and supply-and-marketing co-operatives.

In December 1948 the People's Democratic Government approved the regulations under which three types of agricultural production co-operatives were to be organised. The first two types represented the simplest production associations. In the first of them, peasants pooled efforts for ploughing, sowing, fertilising, cattle grazing, etc., but the harvesting was done by each household independently. In the second type of co-operative, the socialisation of labour was more intense. All the principal types of farm work were done collectively. Although the harvest from a given plot was the property of a co-operative member, the owner of the plot, he received it after the deductions for common expenses and taxes. In the third and higher type of co-op-

rative, labour and the basic means of production were socialised; 75 to 80 per cent of income went for work-day payments while the rest was distributed according to the plot size contributed. Four thousand agricultural production co-operatives were organised between 1949 and 1953. As of September 30, 1956, there were 4,863 co-operative associations of all types with a total membership of 343,000. During the counter-revolutionary mutiny staged by domestic reaction aided by foreign imperialists in October 1956, some of the co-operatives were disbanded, but many of them strongly resisted the attacks of counter-revolutionaries and continued production activities. In some areas the peasants with arms in hand defended collective farms against counter-revolutionaries.

When the counter-revolutionary mutiny was put down, the forcibly disbanded co-operatives were quickly restored. Three months later more than 1,314 production co-operatives were restored or organised anew.

The Theses on the Agrarian Policy which the Central Committee of the Hungarian Socialist Workers' Party made public in February 1957 played an important part in the further progress of the socialist reorganisation of agriculture. It was stressed that production co-operation was the highroad of socialist transformations in the countryside. Pointing out that the principal types of co-operatives were those socialising all the basic means of production, the Theses also provided for the organisation of other types of co-operation: associations for the joint exploitation of machines, collective irrigation and other farm work.

The process of the socialist transformation of agriculture continued in 1957 and 1958; at the end of 1958 there were 3,560 agricultural production co-operatives and groups with a total membership of 175,000. However, the 1956 level was not attained.

The rates increased after the CC HSWP Plenary Meeting in December 1958 which disclosed the reasons for the lag and planned measures which already in 1959 stepped up the pace of the co-operative movement. The masses of middle peasants began to join production co-operatives. In many instances whole villages joined. It was characteristic that in

1959 and later on the highest types of production association predominated among the new co-operatives.

In the *Democratic Republic of Vietnam* the introduction of production co-operatives was initiated immediately after the victory of the August Revolution in 1945. First came the various associations for the joint cultivation and other types of farm work. These elementary associations retained private ownership of the land, but in some places they had in common funds, cattle and farm implements. The first production co-operatives also appeared at that time.

Parallel with the agrarian reform in 1953 peasants launched a broad movement for the organisation of joint labour groups. Experimental agricultural co-operatives were organised after the War of Resistance. They relied on the agrarian reform and the movement for joint labour associations. Late in 1958 and early in 1959 the peasants began to join production co-operatives in large number. By that time supply-and-marketing, credit and other types of co-operatives increased in number. Large state farms, few in number (only 60 in 1959) but provided with modern machines, proved to the peasants the advantages of large-scale socialist production.

In these circumstances, the 14th and 16th plenary meetings of the Central Committee of the Party of the Working People of Vietnam formulated a new agrarian policy. Of particular importance was the decision of the 16th CC PWPV Plenary Meeting in April 1959 on co-operation in agriculture. The decision analysed in detail the progress of agricultural co-operation in the DRV and formulated the tasks that were to be solved to effect peasant co-operation. It explained the methods of socialising the means of production, the types of farms and the income distribution in agricultural production co-operatives. Particular stress was laid on the need for ideological education of co-operative members and the strengthening of the political and organisational guidance of the co-operative movement. After the 16th CC PWPV Plenary Meeting the pace of co-operation was stepped up. By the end of 1959 there were 28,800 co-operatives, incorporating 45.1 per cent of the total peasant households. By the end of 1960, 85.8 per cent of the peasant house-

holds had joined the co-operatives, and of this number 11.8 per cent had joined higher-type co-operatives. This marked the completion of the first period of production co-operation during which the mass of peasants joined the co-operatives; lower-type co-operatives were predominant at that time. During the fulfilment of the five-year plan, a gradual transition of most co-operatives from lower to higher types was effected. In the period from 1961 to 1964 higher-type co-operatives incorporated 50 per cent, and in 1967, 76.7 per cent of all peasant households. That marked the second period of production co-operation.

Today there are some 23,000 production co-operatives in the DRV; they unite 94 per cent of peasant households and account for 92 per cent of the country's arable land. The state sector has also gained ground in agriculture. The republic's 59 state farms, with a total of 320,000 hectares of land, are raising valuable crops (tea, coffee, cotton, etc.).

The agrarian policy of the working class in the *German Democratic Republic* was based on the Marxist-Leninist teaching on the socialist reorganisation of agriculture. The agrarian reform and the movement for peasant mutual assistance were important steps in the implementation of this policy. The process began when land committees—the agencies responsible for the agrarian reform—were reorganised into committees of peasant mutual assistance. In 1946 they were incorporated by the Association for Peasant Mutual Assistance (APMA) which began to play an important part in the rural economy; it was a political school for peasants vigorously supporting the new workers' and peasants' state. The committees of peasant mutual assistance directed their efforts towards the restoration of agricultural production. The machines, farm implements and processing enterprises confiscated from nazi war criminals, landlords and big capitalists were turned over to APMA. The Association helped poor peasants and former farm-hands overcome poverty and organise farming.

At the same time, the GDR retained and developed the extensive network of old supply-and-marketing co-operatives which had gained wide experience in the past. The

democratisation of co-operatives gave the small and middle peasants the dominant position in them.

The state sector began to grow rapidly with the emergence of the GDR in 1949. People's estates, machine-and-tractor hire stations and other state enterprises played an important part in preparing the change-over by the peasants from lower forms of co-operation to production co-operatives.

As a result of the amalgamation of the peasant mutual assistance organisation and old co-operatives in 1950, a new peasant organisation was founded—the Association of Peasant Mutual Assistance (the peasant trade co-operative). During the election of the new leadership (1950-1951), most kulaks were removed from executive positions, which immediately changed the class structure of the co-operatives.

The creation of a united peasant organisation under the leadership of the working class was of great significance for the consolidation of the political and economic leadership in the co-operatives, the strengthening of the alliance between the working class and the peasantry, and the clearing of the ground for the further transformation of supply-and-marketing and other lower types of co-operatives into production co-operatives.

The APMA encouraged trade and other types of special co-operatives to supply the peasants with the means of production and to develop livestock-breeding, forestry, land reclamation and other branches of production. In these co-operative associations the peasants learned the elements of collectivism by pooling efforts in farm work, particularly when it required joint utilisation of machines.

In 1952 the conditions available for the socialist reorganisation of agriculture permitted the Socialist Unity Party of Germany (SUPG) to place the issue of building socialism in the countryside on the agenda of its second conference. While rejecting administrative measures for accelerating the production co-operation of peasant households, the SUPG drew attention to the need of rendering state support to the first agricultural production co-operatives (APC). On July 24, 1952, soon after the conference, the government decided to extend privileges to the APC and their members. The

accomplishment of the set task was expected to encourage peasants to join production co-operatives. The MTSs, which were becoming strongholds of direct working-class influence upon the peasantry, were to serve the same purpose.

The organisation of peasant households into production co-operatives in the GDR, which began in 1952, can be divided into two stages—the first from 1952 through 1958, and the second from 1958 through 1960.

At the beginning of the first stage the process of co-operation was quite intensive. At the end of 1952 there were 1,906 APCs compared with only 59 in July of the same year. In 1953-1954 their number increased to 5,120 involving 62,000 households. In 1955-1957 progress decelerated.

At the first stage most of the co-operative members were former farmhands and peasants who had received land shortly before; in some areas industrial workers predominated. Landed peasants were still watching the work of production co-operatives. One of the reasons why there were so few middle peasants in APCs stemmed from mistakes in the execution of the basic principles contained in Lenin's co-operative plan. In a number of localities the principle of voluntariness and gradual progress in the co-operative movement was violated; nothing was done to strengthen the co-operatives organisationally and economically. The counter-revolutionary rebellion in Hungary in 1956, the reinvigoration of West German spy centres, and the popularisation in the press of opportunist and revisionist distortions of the Party's policy on the co-operative movement also adversely affected co-operation in agriculture.

At the 30th (January 1957) and particularly the 33rd (October 1957) plenary meetings, the SUPG smashed the attempts to distort the Marxist-Leninist agrarian policy, the opportunist and revisionist distortions of Party policy in the co-operative movement. The plenary meetings planned measures to upgrade the APCs technically, organisationally and economically. The SUPG launched a comprehensive explanatory campaign among the peasants. The Party's agrarian policy was reaffirmed by the Fifth SUPG Congress in July 1958 which indicated the way for the further socialist reorganisation of the countryside.

The adopted measures not only strengthened the co-operatives economically and politically, but also stimulated, in 1958, mass applications by middle peasants for membership in APCs. In that year 2,946 new production co-operatives were organised, and the number of co-operative members increased by nearly 124,000. By the spring of 1960 the organisation of the peasantry into production co-operatives was in the main completed.

The organisation of peasant production co-operatives in the GDR was conducted in three forms, depending on the degree of the socialisation of land and the means of production. The Rules for these co-operatives were worked out by the First Conference of APC chairmen and activists in December 1952. The viability of these Rules was proved in practice. In 1959, after a broad discussion, the People's Chamber approved new model rules for three types of APC. These three types differ in the modes of distribution of public income for social funds and for personal consumption.

In type-1 APC, the peasants collectively till the arable lands, and sometimes the pastures and meadows. Thus, only arable land and labour are socialised here. Machines, implements, cattle and draught animals remain in individual ownership. Meadows, pasturelands, forests and other plots are also used individually. Co-operative members provide, at fixed prices, the draught animals, farm implements and machines which, by decision of the general meetings, are needed for public production. Once the plan of sales to the state is fulfilled and the necessary funds supplied, 60 per cent of the harvest is used to pay for work-day earnings, and 40 per cent to pay according to the amount and fertility of the land handed over.

In type-2 APC, land, with the exception of household plots, is socialised; the co-operatives run dairies and own farm machines, tractors and draught animals. It represents a transitional phase to type-3 co-operative, and allocates 70 per cent of income for work-day earnings.

In type-3 APC all basic means of production are socialised. Only up to 0.5 hectare is allocated per household for individual use, although the exact size is fixed by the gene-

ral meeting. These co-operatives allocate 80 per cent of income for work-days, and 20 per cent for compensating the land shares handed over for public use.

The type-1 co-operatives played an outstanding role in the production co-operation. In the initial period (1952-1953) most of the newly organised co-operatives belonged to this type. At the end of 1954 when most of the new members were farm workers and poor peasants, type-3 APCs began to prevail. Later, when the middle peasants joined in, the SUPG, pursuing a flexible policy in the countryside, began to encourage the organisation of type-1 co-operatives because they were most comprehensible and acceptable to the middle peasants at the initial stage of socialist construction. In 1958, for example, 2,110 (72 per cent) of the 2,946 newly organised production co-operatives belonged to type-1. In 1960, of the total of 19,261 co-operatives, 12,908 belonged to types 1 and 2, and 6,353 to type-3. Having played an important part in the period of mass collectivisation, the type-1 APCs were later gradually reorganised into type-3 APCs. Type-2 APCs were not widespread—there were only 90 of them in 1959. In 1968 there were 11,513 production co-operatives in the GDR, 5,754 of which belonged to types 1 or 2, and 5,759 to type-3.

In the *People's Republic of China*, the reorganisation of agriculture can be divided into two basic periods. In the first period (1949 to 1955), conditions were established for the organisation of peasant households into production co-operatives on a mass scale. After the execution of the agrarian reform, joint-labour assistance associations and groups proliferated in various districts. These associations played an important role during the organisation of agricultural production co-operatives.

In the old liberated areas¹ of Northeast² China, for instance, where the agrarian reform was undertaken as early as 1949, the joint-labour groups had incorporated 80 per cent of all peasant households by the end of 1951. The first agricultural co-operatives also emerged there. Subsequently, as the agrarian reform gathered speed, mutual assistance teams began to spread across the country, setting the foundation for agricultural production co-operatives. In 1953 there were

14,000, and in October 1954—100,000 agricultural co-operatives compared with slightly over 300 as of December 15, 1951. By the end of the first stage, in July 1955, the number of co-operatives reached 650,000 with 16.9 million peasant households—approximately 15 per cent of the total.

At first, semi-socialist production co-operatives of an elementary type were set up, founded on collective labour but with private ownership of land and some of the other means of production. Consequently, income was distributed in accordance both with the amount of labour and the share of land and other means of production given over to the co-operative. In most districts, higher-type co-operatives were purely experimental.

The second stage of co-operation in agriculture began after the Sixth (enlarged) Plenary Meeting of the Chinese Communist Party's Central Committee which adopted the decision on agricultural co-operation.

The necessity and feasibility of the mass co-operative movement in the countryside at that time was substantiated by a number of circumstances. Though the peasants had economically gained from the agrarian reform, most of them continued to suffer from the difficulties inherent in individual farming. The greatest of them was land hunger. A Chinese peasant possessed an average of 1 to 3 mu (1 mu = = 1/15 hectare), depending on locality. Natural calamities worsened the situation since the dispersed small peasant households were incapable of response. The only way out was to pool efforts in large collective farms.

Moreover, food and raw material production stood at a very low level, while industrialisation was sharply increasing demand. There arose a sharp contradiction which could be removed only by encouraging the mass co-operation among the peasantry. The need for a home market for the developing industry was another factor prompting the high rates of organising production co-operatives.

In less than two years, from 1955 to 1956, most peasant households in China were united in agricultural production co-operatives. But their total number dropped from 1,003,700 in May 1956 to 764,000 in December of the same year because of the merger of small farms.

As distinct from the first stage, when most co-operatives belonged to the elementary type, there was a marked growth in the number of advanced co-operatives. By November 1956 the advanced co-operatives united 100.9 million (86.5 per cent) of all peasant households, by the middle of 1957 they incorporated 93.3 per cent of all households.

Production co-operation among the peasantry was completed sooner than was the technical modernisation of agriculture.

Thus, by 1958 the Chinese people had achieved definite successes in the development of socialist agriculture, but these successes were not consolidated, the socialist principles of economy were violated, and consequently the building of the socialist society was impeded. The Chinese people suffered irreparable losses, their industry and agriculture have been disorganised because of adventurism, subjectivism, and rash decisions disregarding actual conditions or a scientific approach to complicated problems.

As a result, agriculture is unable to rise above the 1956-1957 level, the final period of the five-year plan. For instance, the estimated gross intake of cereals (the staple product) in 1968-1970 ranged between 180 and 190 million tons. If we take into account the growth of population, it means that in the past 12 years the per capita grain supply in the country has dropped by 15 per cent.

In the *Korean People's Democratic Republic*, the co-operative movement was started during the liberation war of 1950-1953. The conditions for the transition to socialist agriculture were set during the war, a time of rapid growth of state farms and MTSs. The first habits of collective work were acquired in groups of joint livestock-breeding and in mutual-aid teams. These latter were either seasonal or permanent, and they were set up not only for crop cultivation, but also for auxiliary purposes. During the war, permanent groups and teams served as a basis for several agricultural co-operatives.

Immediately following the armistice, the Sixth Plenary Meeting of the Korean Labour Party's Central Committee in August 1953 decided to reorganise agriculture on socialist lines by combining peasant households in co-operatives. Of

great significance was the November (1954) Plenary Meeting of the Party's Central Committee which indicated that co-operation was the only way of raising the material welfare of poor and weak households. The years of 1955-1956 were marked by the mass entry of peasants into agricultural co-operatives. In 1956 there were 15,825 co-operatives, incorporating 80.9 per cent of households, compared with only 1,098 in 1954. These rapid rates of collectivisation were made possible thanks to the measures taken by the Party and the state in encouraging the co-operative movement and strengthening the co-operatives both organisationally and economically. In 1955, for instance, the government provided 1,000 million von in long-term credits, 6,800 head of draught animals, 22,000 pigs and 250,000 head of poultry. Several thousand members of the Party and the Democratic Youth League were given executive posts in co-operatives.

The number of MTSs increased from 16 in 1954 to 48 in 1956. They played an important part in stimulating the collectivisation. The MTSs had 2,072 tractors (in terms of 15-hp units). The co-operatives were also assisted by hiring stations providing draught power.

Initially, the co-operatives applied various forms of distributing income, organising and managing their economic activities. The question of socialising land and farm implements was also tackled in various ways.

The Party's Central Committee summed up the work of agricultural co-operatives and in January 1954 adopted the directives "On the Question of Organising Agricultural Co-operatives" in which it outlined the main principles of organising and managing co-operatives and indicated that there should be three basic types of co-operatives. The elementary type was to be mutual-labour assistance groups in which the peasants worked jointly and used the draught animals and farm implements of group members. The harvest belonged to the owner of the land; the draught animals and basic implements remained in private possession. But the groups also had social funds, draught animals and farm implements.

In type-2 co-operatives the members handed over their land as shares. Land under orchards and kitchen gardens was not to be socialised. All work was done collectively. The

means of labour remained in private possession, but if the owner agreed, they could be turned over to the co-operative with gradual compensation. Income was distributed according to the number of work-days and the size of plots shared (not more than 20 per cent of the net income could be allocated for this latter purpose). In type-3 co-operatives, all the key means of production are socialised. The members retain in private possession only the kitchen gardens, fruit trees, domestic animals, etc. The harvest is distributed according to the amount of work-days. The number of advanced co-operatives was steadily increasing, and at the end of 1957 they constituted a majority of all co-operatives which, incidentally, had already united 95.6 per cent of the country's peasant households. By mid-1958 the socialist reorganisation of agriculture in the Korean People's Democratic Republic had been completed.

In *Cuba*, unlike the other socialist countries, most of the peasants were hired workers on the eve of the socialist reorganisation of the countryside, for the island was covered with capitalist sugar-cane and cattle-breeding latifundia. The bulk of small peasant producers were ruthlessly exploited by latifundia owners and kulaks; they suffered from land hunger and unemployment; their farms played no decisive role in the country's economy.

As a result of the agrarian reform, former cattle-breeding latifundia were reorganised into state farms, while sugar-cane plantations were given over to production co-operatives. The sugar-cane co-operatives existed until August 1962 when they were turned into state farms. Thus a powerful state sector was created in agriculture accounting for more than 40 per cent of all arable land and the bulk of the country's farm produce.

The establishment of peasant production co-operatives was conducted in two principal forms. The lower form consisting of agricultural credit and services co-operatives organised for credit, supply-and-marketing operations. These co-operatives jointly performed certain types of work (irrigation, building, etc.). Production teams cultivated the land jointly. The credit and services agricultural co-operatives deducted 4 per cent of their gross income for the indivisible

fund. In 1965 there were 816 co-operatives of this kind incorporating 56,000 households.

The second form of production co-operatives comprises agricultural societies in which the land and other key means of production are socialised with subsequent compensation. Once the obligations and debts are settled, 30 per cent of the income goes to pay the members for the means of production handed over, 50 per cent for pay according to the work done, 10 per cent is diverted into the production accumulation fund, and 10 per cent is allocated for the social fund and other expenditure.

In 1965 the 215 advanced co-operatives incorporated 2,600 small producers.

In the *Mongolian People's Republic*, production co-operation had distinctive features, most of them due to the fact that the country by-passed capitalism on the road from feudalism to socialism. In pre-revolutionary Mongolia, most of the *arats* were engaged in extensive nomadic cattle-breeding. There was no industry, no transport or communications; cultural development was at a low level. This is why a protracted time was required to prepare the economic and social prerequisites for mass production co-operation among the *arats*. In terms of the pace and nature of this process, we can discern two stages: the first, from 1935 to 1955, when the conditions for mass collectivisation were gradually being prepared; and the second, from 1955 to 1959, when the *arats* began to join agricultural associations (production co-operatives) *en masse*. This latter stage culminated in the victory of the co-operative movement.

At the first stage, a conspicuous role belonged to the measures implemented by the Mongolian People's Revolutionary Party (MPRP) and the republic's government. These measures freed the country's economy from dependence on foreign capital and ensured successes in economic and cultural development. In the early 1930s the Mongolian People's Republic (MPR), relying on fraternal aid from the USSR, laid the foundation for its own industry which, in turn, engendered a working class. As the economic foundation of feudalism crumbled and the capitalist elements in agriculture and trade were restricted, the *arats* were gradually raised to the

status of middle peasants. In the very first years following the revolution, the Party and the state, while supporting individual *arat* households, encouraged the development of supply-and-marketing co-operatives. The simplest forms of production co-operatives began to appear. Actually they were different kinds of temporary or permanent associations for joint cultivation of the land, cattle-grazing, building of sheds for the animals, etc.

However, the "Left" deviators who succeeded in occupying some leading posts in the early 1930s crudely distorted the ideas laid down in Lenin's co-operative plan; they advanced the slogan calling for the mass establishment of co-operatives among the *arats*.

This slogan was put into effect mostly by administrative measures. Having neither the adequate material and technical basis nor financial aid from the state, the newly organised collective farms had no prospect of becoming socialist enterprises. The *arats* did not yet understand the advantages of large-scale, socialist farming, and they had no experience in running socialist farms, organising collective labour. As a result of their activity, the Leftists seriously undermined the *arats'* trust in collective farms, thus causing the destruction of cattle in large numbers. At the same time, the Leftists distorted religious policy. They regarded all lamas as exploiters and applied coercive measures to them, though many of them came from the *arats* and also suffered under exploitation by the feudal elite of lamaism. These crude mistakes and distortions were severely condemned at an extraordinary Plenary Meeting of the MPRP Central Committee and the 17th Extraordinary Session of the Small People's Khural (June-July 1932).

The collective farms organised by administrative measures were disbanded; the country reassumed the policy directed at the organisation of simple production co-operatives as indicated by the 3rd and 4th congresses of the MPRP in 1924 and 1925. The *arats* could be prepared for the higher forms of production co-operatives only through gradual familiarisation with collective work, through joint haying operations, cattle raising, hunting, haulage of goods, and building of enclosures for livestock. In the early 1930s only

those types of production co-operatives which the *arats* understood and which did not immediately affect the economic principles of individual *arat* households were introduced. A definite role in this belonged to the "Instrument on Arat Production Associations (APA)" which the Mongolian Government approved in October 1932. The main idea was to foster mutual-assistance groups in various types of work. The task was to set up social farms, retaining at the same time the private ownership of the basic *arat* means of labour. The "Instrument" reflected the objective conditions and the practice of the co-operative movement at that time.

A long and sharp class struggle was waged against feudalism and the elite of lamaism who represented one of the most powerful sections of the class of the feudal lords. During this struggle, the state increased its financial assistance to *arat* households through credit grants, expanded veterinary services, the organisation of hay-making stations, etc. Material support from the state and the Party's explanatory work stimulated the organisation and progress of elementary co-operatives in the mid-1930s; in these co-operatives the *arats* worked jointly but without socialising the means of production. The first production associations gave birth to social property in the form of means of labour acquired on credit from the state. The income was distributed in accordance with the amount of work done and the number of draught animals and farm implements contributed by the members for collective work. At the end of the 1930s there were 91 production associations with a total of 2,000 households.

In the 1940s the production co-operatives continued to grow and develop—although slowly,—in line with the decisions of the MPRP's 10th Congress aimed at supporting *arat* households and strengthening voluntary *arat* associations. The Congress also pointed to the need to further encourage state farms. One of the tasks, posed by the Congress, was to turn them into model-experimental farms. Another task was to expand and strengthen the machine hay-making stations, set up in 1937 with Soviet assistance. In 1942, after the work of APAs had been generalised, the APA Model Rules, reflecting the changes that had occurred since

the 1930s, were approved. The Rules envisaged not only collective work, but also the merger of property. The size of individual farms of co-operative members was not, however, restricted.

During World War II the number of *arat* associations increased somewhat. But at that period the whole national economy was geared to the war demands, and so attention was focused on production problems. By 1945 there were 99 APAs in the country with a membership of 5,562. In 1954 the number of APAs increased to 183 with a membership of 15,400. These figures signalled the completion of the first stage of production co-operation in the MPR.

In concluding this short outline of the first stage, it must be said that writings on both economics and history contain differing periodisation schemes to cover the co-operative movement in the MPR. In the *Sotsialisticheskoye Pereustroistvo Selskogo Khozyaistva v MNR* (The Socialist Reorganisation of Agriculture in the MPR) the author D. B. Ulymzhiyev scrupulously examines the views expressed by Soviet and Mongolian scholars concerning the periodisation. Just as many of his Soviet and Mongolian colleagues, he breaks the process into two stages: the first—1935-1955, and the second—1955-1959. According to him, the first stage was preparatory, while the second was one of the mass establishment of co-operatives. Though this periodisation seems reasonable, one must bear in mind that prior to 1935 the economic policy of the MPR was directed at the development of state-co-operative farming. This policy was first assumed after the Third Congress of the MPRP in October 1928. Various types of co-operatives began to spread back in 1928-1929; the first state farms also appeared in that period. Thus, in Mongolia collectivisation was characterised by a preliminary stage of several decades needed to prepare the nomadic *arats*, backward both economically and culturally, for the transition to large-scale socialist farming.

As the table on page 115 shows, the years from 1955 to 1959 were marked by the intense and mass establishment of production co-operatives among *arat* households (the numerical decline of agricultural associations is to be explained by their merger).

Establishment of Arat Production Co-operatives in 1955-1959¹

| Year | Number of agricultural associations (AA) | Number of members aged over 16 ('000) | Percentage of the population in co-operatives as of September 1 |
|------|--|---------------------------------------|---|
| 1955 | 239 | 40.7 | 10.8 |
| 1956 | 565 | 84.3 | 22.7 |
| 1957 | 678 | 119.7 | 34.3 |
| 1958 | 727 | 212.9 | 75.0 |
| 1959 | 389 | 360.1 | 99.3 |

The second stage was ushered in by the First Congress (March 1955) of the Advanced Workers of *Arat* Production Associations. It was called in order to analyse and summarise experience accumulated in the organisation of production co-operatives, the formation of social funds, labour organisation, distribution, etc. The Congress mapped out the way to further the co-operative movement. The new Model Rules adopted by the Congress played a conspicuous part in subsequent quantitative and qualitative changes in production co-operation among *arat* households. Thenceforth, the *arat* production associations became known as agricultural associations (AA). As distinct from the old Rules, the new Rules fixed the scope of domestic farming for co-operative members, giving priority to the growth of social farming. The determination of the correct relation between individual and social farming was a new step in fostering the socialist character of AAs.

The co-operative movement made headway in 1958 and 1959 immediately following the 13th Congress of the MPRP in March 1958. The Congress drew up a broad programme for further socialist reorganisation and determined to

¹ This table was compiled from data contained in the *Narodnoye Khozyaistvo MNR za 40 Let* (The MPR Economy Over 40 Years), Moscow, pp. 89, 47.

complete the organisation of most *arat* households into co-operatives within the next three years. Of great significance in this respect was the decision of the CC MPRP "On Measures for the Further Strengthening and Development of Agricultural Associations" which drew attention to the need for unflagging efforts to develop the social sector of agricultural associations and outlined several other measures for their development. The principal task posed in the decision was to transfer the agricultural associations to a settled way of life. As a result of these measures, the co-operative movement incorporated all—including prosperous—*arat* households. On December 16, 1959, the Fourth Plenary Meeting of the CC MPRP noted that the process of bringing *arat* households into co-operatives was fundamentally complete. At the end of that year, 184,872 households—99.3 per cent of the total—were members of agricultural associations.

In Poland, as in all the other socialist countries, the years of building socialism were marked by radical economic reforms. The agrarian reform abolished large landed estates. The middle peasant was the dominant figure in the individual sector. There were three types of co-operatives at the beginning of the co-operative movement. In October 1956 there were 10,500 agricultural production co-operatives accounting for 6 per cent of peasant households and more than 9 per cent of farmlands.

The Eighth Plenary Meeting of the Central Committee of the Polish United Workers' Party (PUWP) in October 1956 exposed the errors in the co-operative movement. It noted that insufficient attention had been paid to the encouragement of individual households and that co-operatives organised by administrative methods were economically weak. The Central Committee said that strong and viable co-operatives should be strengthened and weak ones disbanded.

By the beginning of 1957 most of the existing agricultural production co-operatives were disbanded. In January 1957 the CC PUWP in conjunction with the Chief Committee of the United Peasants' Party noted in the directives on questions of agrarian policy that agricultural production co-opera-

tives would continue to play the decisive role in the reorganisation of production relations in agriculture. In 1964 the Fourth Congress of the PUWP determined the principal thrust for agrarian policy and formulated the principle of integrating the development of agricultural production with the gradual formation of socialist relations in the countryside.

Today the Polish countryside is dominated by individual peasant households. In 1966 they accounted for nearly 85 per cent of farmlands, 87.7 per cent of gross and 81.6 per cent of marketable farm produce. State farms also play a considerable part in agricultural production. There are more than 6,000 such farms; they account for approximately 2.7 million hectares, or 13.4 per cent of total arable land, and nearly 17 per cent of total marketable farm produce, including 21 per cent of marketable products of plant husbandry. Poland has 1,220 agricultural production co-operatives possessing 240,000 hectares of land. State farms are, consequently, the principal type of large-scale socialist enterprise exerting a major influence in agricultural production. Agricultural circles are the most widespread type of co-operatives pooling the production efforts of peasant households. They function in 90 per cent of the villages and involve 38 per cent of peasants.

The PUWP employs these circles for the gradual socialist reorganisation of the countryside. They, as the 11th Plenary Meeting of the CC PUWP indicated, must act as organisers of production. The circles retain private peasant ownership of the land and means of production. They are being set up in order to improve the provision of machines and agro-technical services to the peasants. Many of them collectively purchase seeds, fertilisers, herbicides and insecticides. They are also used to popularise agro-technical knowledge. In line with the Rules adopted in 1959, the agricultural circles form undistributable funds and buy tractors and other farm machines for use as social property.

Poland has set up a fund for agricultural development replenished by the resources derived from the difference between market prices and the prices paid for obligatory

deliveries of farm products. The state returns the difference, but on condition that the sums go into the agricultural development fund (the fund is the collective property of villages). The circles pay only 10 to 15 per cent of the cost of machines in cash, while the rest is deducted from the fund. Thus, individual peasant households are mechanised by purchasing tractors and machines as collective or group property.

The PUWP and the people's state use the circles to inculcate habits of collectivism among the peasants in their efforts to raise agricultural production, thus preparing them for production co-operation.

In Rumania, the Workers' Party¹ began to steer towards the socialist reorganisation of agriculture immediately after the victory of people's power. The CC RWP worked out at its Plenary Meeting in March 1949 a broad programme for gradual co-operation among peasant households. The Party, taking into consideration the specific features of the country's agriculture, said that it was expedient to employ various types of co-operation, ending with the highest type—the collective farm. In the first period (1949 to 1958), the most widespread types were agricultural and other simple associations for joint utilisation of MTS facilities, cattle-breeding, industrial cropping and kitchen gardening. In the fore were associations for joint cultivation. At the end of the period, these associations accounted for 80.2 per cent of the total number of households and 75 per cent of peasant families. The draught animals and means of production owned by the members of such associations were exploited jointly, income was distributed according to the amount of work done and the amount of contributed land. In addition to agricultural associations and collective farms, there were a few production co-operatives with rent, in which private possession of land was retained, but labour, land tenure and the basic means of production were socialised. Income was distributed according to the amount of work done and the plot size (25-30 per cent). However, this type of co-operative was not widespread.

¹ In 1965 renamed the Rumanian Communist Party.

In 1958 there were already 15,723 production co-operatives of various types embracing more than 1,760,000 families. Between 1959 and 1962 there was a mass movement of peasants into collective farms. This was promoted by the development of Machine-Tractor Stations and the consolidation of states farm as major socialist enterprises.

The co-operation of peasant holdings on a production basis was spurred towards completion by the decisions of the Third Congress of the RWP which noted that the economic foundation for socialism in Rumania had been established. The Congress drew up a concrete programme for the completion of the socialist reorganisation of agriculture in 1960-1965. In fact, this task was accomplished in two years time.

The agricultural associations—schools of collective work—became the main source for increasing the number of collective farms.

The turn towards the higher, socialist type of production co-operation signified the beginning of the second stage of the socialist reorganisation of agriculture, which was completed in 1962. In April of that year the socialist sector accounted for 96 per cent of arable lands and 93.4 per cent of agricultural lands. The completion of collectivisation was marked by an extraordinary session of the Great National Assembly in Bucharest in April 1962 announcing the triumph of socialist production relations in the Rumanian countryside.

In Czechoslovakia, as in Bulgaria, co-operatives began to make headway in bourgeois times. After the country's liberation in 1945 approximately 80 per cent of peasants were members of one or another type of co-operative. Subsequently, during the first stage of the development of the people's democracy, the co-operative movement became widespread. It included all types of supply-and-marketing, credit, machine and other co-operatives, uniting peasants largely for supply, marketing and processing of some kinds of agricultural produce. However, they could not accomplish the socialist reorganisation of agriculture because the key positions were in the hands of the bourgeoisie. The Communist Party of Czechoslovakia called for a purge of capitalist ele-

ments from co-operatives. Thanks to the efforts of the Party, the old co-operatives were gradually given a new, socialist content, and the accent was placed on the gradual organisation of production co-operatives. After the agrarian reform, the old co-operatives, with the exception of consumer and credit co-operatives, began to merge with peasant households to form united agricultural co-operatives (UAC). The formation of the various types of co-operatives was fixed by the Law on United Agricultural Co-operatives adopted on February 23, 1949. Under the Law, UACs could be organised even in villages where formerly there were no co-operatives at all. The new UACs and those formed as a result of the merger gradually socialised the means of production and membership labour. Four types of UACs evolved. In type-1 UACs, all basic field work (sowing and harvesting) is done collectively, though the means of production remain in private possession and boundaries are retained between plots of land. The harvest collected from the peasant's plot is his property. The members individually fulfil their obligations before the state. In type-2, the boundaries between plots are eliminated, but the means of production remain in private possession. The harvest is distributed according to the amount of land contributed, and part of the harvest goes to form the social fund. Type-3 UACs represent a higher form of collective farming. The basic means of production are socialised, land cultivation and cattle-breeding are carried out in common. Farming is conducted on a large scale. Income is distributed, for the most part, in accordance with the amount of work done, but a percentage compensates for land donated. The only difference between type-3 and type-4 UACs is that the latter distribute income according to amount of work alone. The right of private property is retained.

Czechoslovakia has a developed industry; by the end of 1948 it had regained the prewar level. This is why it was possible to establish a sufficiently strong material and technical basis in agriculture prior to the mass establishment of production co-operatives. The 10th Congress of the CPC in 1954 stepped up the mechanisation of agriculture and decided to increase capital investment to that end. The output of

tractors and farm machinery went up. At the same time Czechoslovakia received many tractors from the USSR and Hungary. In 1949 the government organised a network of MTSs which also provided services to the individual peasants, thus strengthening the alliance of the working class and the peasantry and preparing the peasantry for production co-operation.

Production co-operation in the Czechoslovak countryside developed gradually as the necessary political and economic prerequisites were created. There were 2,184 type-2 and 1,355 type-1 UACs by the end of 1950. In that year the first type-3 and -4 UACs began to appear. In August 1953 there were 1,070 type-2 and 7,129 type-3 and -4 UACs.

The production co-operatives of the most advanced (socialist) type were set up in 46.6 per cent of the villages, incorporating 17.4 per cent of peasant households. Thus, the position of the socialist sector in the countryside grew stronger.

In 1953-1955, the process of production co-operation slowed down as a result of certain errors and shortcomings. Again, the greatest blame lay with the violations of the principle of voluntariness and of the Rules of the UAC. The production co-operatives organised by administrative coercion were unstable, their members were not interested in the development of a common economy. Hostile elements tried to take advantage of the situation and impede the socialist reorganisation of agriculture.

¶ In September 1953, the Plenary Meeting of the CC CPC exposed the errors and shortcomings, and worked out measures for the organisational, political and economic consolidation of UACs. After the meeting, the government made a special declaration in the National Assembly explaining the situation in agriculture. In the next two years, the peasants continued to withdraw from UACs, particularly type-2 and -3 UACs. Type-4 UACs, on the other hand, proved reliable. In 1954 the situation was stabilised through Party and governmental measures for strengthening the material and technical basis of agriculture, reductions of obligatory deliveries and increases in procurement and purchasing prices for many farm products.

In June 1955, the Plenary Meeting of the CC CPC set the task of promoting co-operatives.

In 1960, production co-operatives accounted for 71.4 per cent of all arable lands; the type-3 and -4 UACs accounted for 84.9 per cent of the total peasant farmlands and 88.7 per cent of the total peasant arable lands in the country. Together with the state farms, the high-type co-operatives, i.e., the socialist sector, accounted for 90.9 per cent of the country's arable lands.

Thus, 1960 was marked by the completion of the socialist reorganisation of agriculture and the triumph of socialist production relations in the countryside.

In the *Socialist Federative Republic of Yugoslavia*, the socialist reorganisation of peasant households commenced after the agrarian reform of 1945. Prior to 1953 agricultural co-operatives held some 17 per cent of farmlands. At that time the socialist sector was managing 23 per cent of the farmlands in the country. However, in 1953-1955 most co-operatives were reorganised into general agricultural co-operatives (*zadrugas*) with predominately supply-and-marketing functions. They also processed farm products.

Beginning with 1957, the *zadrugas* began to devote more attention to agricultural production and to offer various services and consultations to the peasants. They widely introduced contracts as a form of assistance to the peasantry.

The co-operatives and peasants initiated joint production on peasant lands, distributing incomes in accordance with invested effort. The peasant received also cash compensation for donating his land for common cultivation. The *zadrugas* also purchased up to 90 per cent of their marketable products from individual peasants.

Beginning with 1945, state socialist agricultural enterprises (estates), representing large socialist enterprises in the countryside, began to appear on nationalised lands. In 1963 there were 356 estates with a total of 657,000 hectares of cultivated land. In 1968 the socialist sector accounted for 14 per cent of the cultivated land in the country, 38 per cent of marketable wheat, 19 per cent of corn, 48 per

cent of purchases of farm products, 74 per cent of the tractor pool, but only 8 per cent of the cattle population.

In 1973 the private sector amounted to 8,538,000 hectares of cultivated land and employed 5,200,000 workers, while the respective figures for the socialist sector were 1,508,000 hectares and 205,000 workers. In 1973 the socialist sector accounted for about 45 per cent of agricultural commodity production.

The socialist reorganisation of agriculture in all the socialist countries confirms in practice that Lenin's co-operative plan is a scientifically substantiated programme for all countries. The socialist reorganisation of agriculture, as the general trend in the transition from capitalism to socialism, has typical common features, indicated in Lenin's co-operative plan. These features are common to all countries in spite of the different forms and pace of building socialism in the countryside.

All the socialist countries began to tackle the task of production co-operation after the establishment of people's democracy, when the state assumed the functions of the dictatorship of the proletariat and when the basic means of production, transport, communications, and the credit and finance system became public property.

While executing the tasks of the co-operative movement, the Communist and Workers' parties strictly adhered to the important principles, laid down in Lenin's co-operative plan such as voluntariness and the gradual transition from the lower to the higher forms of co-operation. In practice, the socialist countries produced a great variety of types of simple production co-operatives.

This is particularly evident in the case of Bulgaria and Czechoslovakia where the co-operatives appeared under the capitalist system. In Czechoslovakia, the existence of various co-operatives under capitalism predetermined, to a certain extent, the birth of four types of production co-operatives under the people's democratic rule. This reflected the different views held by peasants at the initial stage of production co-operation concerning the socialisation of the means of production. The socialist states rendered

all possible material and financial aid to the co-operatives.

Each of the socialist countries has two types of farms: the first is based on state property, and the second, on co-operative and collective-farm property. Each determined the correlation between these two forms of socialist production, depending on the level of development of the productive forces and, in this connection, on the degree of concentration of agricultural production and the development of large-scale land ownership. This is why in Cuba the state farms have occupied the dominant position in building up socialism in the countryside. On the other hand, in Bulgaria, which had practically no large landed estates and where small peasant production prevailed, the state farms initially occupied a modest position in agricultural production.

The analysis of production co-operation in each of the socialist countries shows that the pace of progress depends on economic and historical conditions. However, it took most of the socialist countries less time than it had the USSR. That was due to the existence of the world socialist system and experience accumulated in the socialist reorganisation of agriculture in the USSR.

Economic co-operation and mutual assistance among the socialist countries was a very important factor in the creation of the material and technical basis in agriculture. This was especially so because most of the countries which took the road of socialism after World War II had not manufactured farm machinery or mineral fertilisers on their own prior to the establishment of the system of people's democracy.

Simultaneous agricultural collectivisation and socialist industrialisation were made possible primarily thanks to the mutual assistance of the socialist countries, and notably the assistance of the Soviet Union, which supplied these countries with farm machinery and helped them to initiate their own farm-machinery industries. The USSR helped many socialist countries build new or reconstruct old factories. In Rumania, for instance, a tractor and several farm-machinery factories were built. In Bulgaria, the Soviet

Union helped to build two specialised farm-machinery factories, and in Poland, a factory for manufacturing harvesters and other machines.

Between 1946 and 1962 the Soviet Union sent more than 100,000 tractors (in terms of 15-hp units) to the European socialist countries. In the period from 1944 to 1957 Bulgaria received from the USSR 11,419 tractors, 2,474 grain harvesters, 1,114 tractor-drawn sowing machines and many other farm machines. Those were the years of organising production co-operatives in Bulgaria on a mass scale, thus Soviet aid was very timely. The scope of Soviet assistance can be judged from the fact that in the period from 1945 to 1961, of the 32,000 tractors which Bulgaria received from the socialist countries, 23,000 came from the Soviet Union.

The GDR received during its first five-year plan more than 50,000 tractors, 2,000 harvesters and many other farm machines and implements from the socialist countries, mostly from the USSR.

In the period from 1948 to 1956 Czechoslovakia received 31,744 tractors, 4,299 harvesters, 2,577 lorries and many other machines from the Soviet Union. Subsequently, Czechoslovakia stepped up its own production of farm machinery and began to supply other countries. In the period from 1952 to 1962 it delivered more than 16,000 tractors to Hungary.

The Soviet Union helped the socialist countries begin the production of mineral fertilisers, building irrigation systems and conducting land melioration.

Between 1955 and 1961 the USSR delivered to the European socialist countries nearly 400,000 tons of superphosphate, 337,000 tons of ammonium nitrate and nearly 400,000 tons of potassium fertilisers. The exchange of scientific and technological information, and the supply of grade seeds and pedigree cattle, represent important aspects of Soviet assistance to the socialist countries.

Co-operation and mutual assistance, particularly Soviet aid, during the years of establishing production co-operatives made it possible to set up within a brief interval a mod-

ern material and technical basis and thus to accelerate the process of the socialist reorganisation of agriculture in many socialist countries.

§ 3. THE AGRICULTURAL ARTEL: THE BASIC FORM OF AGRICULTURAL PRODUCTION CO-OPERATION

The course of the socialist reorganisation of agriculture in the USSR and other countries confirms that there can be various types of collective farms.

However, two typical features characterise the process: first, we observe the gradual transition from the elementary, non-production forms of co-operatives to the higher, production forms of collective farming (cf. Chapter I); and second, production co-operation is usually marked by a gradual transition from elementary to higher forms of production co-operatives.

The gradual transformation of production co-operatives from elementary to higher forms reflects the gradual maturing of objective and subjective conditions for the transition to socialist production relations among the peasantry. The peasantry could not discard private farming and adopt socialist undertakings in one fell swoop. This is precisely why co-operatives, in which collective cultivation of land is combined with individual farming, became the initial form of production co-operation in many socialist countries. The production co-operatives, which retained private ownership of land and of some of the means of production and which distributed income according to the amount of work done and land contributed, proliferated in nearly all countries which took the road of socialism and where combining in production co-operatives took place in the context of small peasant private landownership.

In the USSR there were three types of collective farms: the associations for land cultivation (ALC), the agricultural artels and the agricultural communes. All were socialist enterprises because they were based on co-operative and collective forms of socialist property. Hence, these enterprises offered no economic basis for the exploitation of man

by man. The co-operative and collective ownership of the means of production engenders new, socialist production relations based on the co-operation and mutual assistance of people free of all exploitation.

Though these three forms of collective farming had a common basis, they were distinct in the degree of the socialisation of the means of production, i.e., the degree of the development of collective property and the level of the socialisation of labour. This determined the distinctive features in the development of socialist relations through each of these forms.

The associations for land cultivation (ALC) represented the simplest form of collective farming. They socialised labour on peasant land placed in a common pool. Sometimes they socialised certain means of production (machinery, for instance). Neither live nor dead inventory was socialised, but remained in private possession. The ties between the peasants and the collective farm were not permanent. Usually, the peasant retained a rather sizeable individual farm.

The next form in terms of degree of socialisation of production and labour was the agricultural artel, which socialised land tenure, the basic means of production and labour. Only small farm implements for domestic purposes, dairy cattle and poultry were left in private possession.

The highest degree of socialisation was attained in agricultural communes, which socialised not only all means of production and cattle, but also certain household items.

At the outset of collectivisation the commune was the most widespread form. In 1918 it was predominant because the first collective farms were organised on former landed estates. Most of the members were poor peasants, farm hands, industrial workers, former soldiers and sailors, i.e., people who had neither draught animals nor farm implements of their own. The poor peasants regarded the communes as a road to a more equitable way of life. Through full socialisation of all means of production and domestic facilities, and through egalitarian distribution the first communards strove to organise their life on communist lines, to improve

their material and cultural standards. But during the period of War Communism the proportion of agricultural communes in the total number of collective farms began to drop. This can be seen from the following table.

| Type of collective farms | As a percentage of the total | | | |
|--------------------------|------------------------------|-------|-------|-------|
| | 1918 | 1919 | 1920 | 1921 |
| Communes | 61.7 | 31.7 | 18.0 | 20.7 |
| Artels | 38.3 | 58.3 | 73.6 | 63.6 |
| ALCs | — | 10.0 | 8.4 | 15.7 |
| | 100.0 | 100.0 | 100.0 | 100.0 |

But the percentage of agricultural artels in the same period began to rise, and soon was predominant. In the next few years the proportion of communes continued to drop until it reached 10.6 per cent in 1925, while the artels reached 65.3 per cent in the same year.

The above table shows that the ALCs appeared somewhat later, but even in the period of War Communism they demonstrated growth tendencies. In 1925 they accounted for 24.1 per cent of the total number of collective farms.

On the eve of complete collectivisation, the distribution of the different types of collective farms was as follows:

| Type of collective farms | 1927 | 1928 | 1929 |
|--------------------------|-------|-------|-------|
| Communes | 9.0 | 5.4 | 6.2 |
| Artels | 48.1 | 34.8 | 33.6 |
| ALCs | 42.9 | 58.8 | 60.2 |
| | 100.0 | 100.0 | 100.0 |

It can be seen from the table that the ALCs were predominant, but there were also many artels, while the number of communes dropped.

The gradual drop in the proportion of communes in the collective-farm movement indicated that the full socialisation of all the means of production was unacceptable to the movement. The peasants, who only yesterday had been private owners and who for centuries had farmed on their own, preferred the agricultural artel or the ALC. It is noteworthy that after the Party's 15th Congress ushering in mass collectivisation with more and more middle peasants joining the movement, the ALCs became the principal form of collective farms. They accounted for 60.2 per cent of all collective farms as of June 1, 1929, while the artels made up only 33.6 per cent. The ALCs were the most simple and accessible type of collective farm for the peasants; they gained dominance at the initial stage of the mass movement.

Discovering that the ALCs were advantageous to them, the peasants then began boldly to change over to agricultural artels promising them even more advantages and opening the way to a prosperous life. This movement can be seen from the following table.¹

| Type of collective farms | 1929 | 1930 | 1931 |
|--------------------------|------|------|------|
| Communes | 6.2 | 8.8 | 3.6 |
| Artels | 33.6 | 73.9 | 91.7 |
| ALCs | 60.2 | 17.3 | 4.7 |

As a result, the percentage of agricultural artels in the collective-farm movement rose sharply in 1930-1931.

Summing up the results of socialist construction in the countryside, the Party's Central Committee noted in its decision of January 5, 1930—at the very beginning of mass

¹ As of June 1 of the corresponding year.

collectivisation—that at the given stage the agricultural artel, as practice had proved, was the most appropriate form of collective farming.

The agricultural artel most fully meets the interests of both the society, i.e., the interests of the state and the collective farm, and the collective farmers themselves. The degree of socialisation of the means of production ensures rapid advances in the social sector of collective farms, thus increasing their marketable output. At the same time, the artel leaves the collective farmer household farming intact. It is auxiliary in character and supplements the income the farmer derives from the collective farm. In the ALC the peasant not only retained his household plot, but usually this plot prevailed over collective farming. Many ALCs left their members 30 to 35 per cent of the land. Thus, the peasant acquired a dual nature—on the one hand, as a collective farmer, on the other, as an individual peasant. The private plots attracted the peasants the more so because the basic means of production were not socialised.

The peasants retaining the basic means of production in their hands, the socialised means of production in the ALC grew very slowly, for their growth depended on deductions from income derived from the harvest gathered in by the association. Consequently, the ALC had limited opportunities for expanding the social sector and the marketability of its produce. Such undertakings made slow headway, a fact endangering the interests of state, the collective farm and the farmers themselves. The latter's material and cultural standards wholly depended on the development of the social sector.

The experience of collectivisation in the USSR showed that the agricultural commune as a form of production co-operation is unacceptable to the peasant—yesterday's small proprietor. The commune cannot be the principal form of collective farming either at the outset or the peak of collectivisation. It was the lack of experience in building socialism that led to the organisation of communes at that time.

Thus, it is through the practice of collectivisation and the actual experience of the masses of peasants that one or another

form of collective farm is advanced as the most acceptable for the development of the collective-farm movement. Gradually, after analysing the results of collectivisation, the Communist Party found that the agricultural artel was the most appropriate form for the collective-farm movement under socialism.

It is only the agricultural artel that fully and successfully combines the personal and public interests of collective farmers and subsumes these interests under those of the socialist state and the collective farmers themselves. In this way the artel helps gradually to overcome the proprietorial psychology of the peasant-kolkhoznik in the spirit of collectivism.

The agricultural artel ensures substantial advances for the social sector, based on the socialisation of the basic means of production of peasant households. Under the artel the collective farmer's subsidiary husbandry is of a consumer nature.

The agricultural artel most fully satisfies the principle of material interest of collective farmers. On the one hand, the collective farmer's subsidiary husbandry itself complies with this principle; on the other, his growing material and cultural level depends mainly on the success of the social sector. This generates a direct interest on the part of collective farmers in the consolidation and growth of the collective-farm economy. The higher the profitability of collective farming the more earnings the farmer derives for his personal consumption.

The socialist countries of Europe and Asia, and the Republic of Cuba, in implementing Lenin's co-operative plan, are gradually introducing the forms of production co-operation most accessible to the peasants and conforming to the socialist goals of the co-operative movement itself.

Each country employs its own forms of production co-operation, but all have common traits—the transition from the elementary socialisation of peasant means of production to more advanced socialisation within the agricultural artel, which most correctly and rationally combines social and individual farming. In spite of this variety of forms in the

socialist countries, three principal types of production co-operatives can be discerned.

The first type comprises production co-operatives resembling the ALC in the USSR. There are the type-1 APCs in the GDR, the type-1 and -2 UACs in Czechoslovakia, the associations for the joint cultivation of land in Rumania, and the production-co-operative groups in Hungary. The teams of mutual-labour assistance in China, the Korean People's Democratic Republic and the Democratic Republic of Vietnam can also be placed in this category. The second type of production co-operative is distinguished by a higher degree of socialisation of the means of production and of labour. These co-operatives socialise all key means of production, but the land, though pooled, remains in the private possession of the members. Economically, this type finds expression in the distribution of a certain proportion of income as dividends on land shares. This is typical of type-3 APCs in the GDR and of some production co-operatives in Czechoslovakia, Rumania and Hungary. Rent payments are widespread in the labour co-operative land farms in Bulgaria.

The third type of production co-operative comprises collective farms in which all basic means of production constitute collective property and which distribute income in strict accordance with labour performed. These co-operatives fully resemble the agricultural artels in the USSR. This group includes advanced agricultural production co-operatives in the DRV, KPDR, the agricultural associations in Mongolia, labour co-operative land farms in Bulgaria (after the abolition of land-share income distribution), some of the type-3 APCs in the GDR which distribute income exclusively according to the labour performed, type-3 and -4 UACs in Czechoslovakia, collective farms in Rumania, and agricultural co-operatives in Albania. As distinct from the USSR, the land cultivated by these co-operatives is not state-owned, but collective property.

In type-3 and most of the type-2 co-operatives in the socialist countries of Europe and Asia we can discern features typical of the agricultural artel because they solve in a similar manner the problem which, as the collectivisation

in the USSR proved, is essential for the development of socialist production in the countryside—the correct combination of the public and individual interests of co-operative members. A major role in this respect belongs to finding the correct balance between public and private farming.

We have shown how this problem was settled in the USSR. Gradually, with the transition to the higher forms of co-operation, this problem was solved in the other socialist countries. The Rules of agricultural production co-operatives provide for personal plots for all co-operative members.

The question of the size of these plots and the number of productive and draught animals in private possession is settled in accordance with local conditions. We must not underestimate the economic significance of personal auxiliary farming either in the years of socialist reorganisation or in socialist society, for it accounts for a substantial portion of individual income.

Because they harmoniously combine public and individual farming, production co-operatives of the agricultural-artel type have become the principal form of collective farm. The importance of personal auxiliary plots will evidently be retained as long as this type of collective farm corresponds to the level of production forces. Nevertheless, the economic significance of auxiliary farming will decrease with the consolidation and progress of the social sector in collective farms.

§ 4. ROLE OF MTSs AND STATE FARMS IN THE DEVELOPMENT OF PRODUCTION CO-OPERATION AMONG PEASANT HOUSEHOLDS

One of the most important principles in Lenin's co-operative plan is guidance by the working class and the dictatorship of the proletariat in the socialist reorganisation of agriculture. The objective prerequisite for this principle lies in the leading role of state property in the economy.

This enables the proletarian state to provide all-round support for co-operatives, including economic and organisational assistance. Lenin stressed the importance of this point.

The very first steps in building socialism proved that the leading role in the birth and development of production co-operatives belongs to state (public) ownership of the basic means of production. In the revolutionary introduction of socialist production relations in the countryside, the CPSU was guided by the Marxist thesis that after the establishment of the dictatorship of the proletariat it was necessary to concentrate the key means of production in the hands of the socialist state.

Marxism-Leninism maintains that the working class can lead the peasantry towards the socialist reorganisation of agriculture only if it holds the decisive commanding heights in the economy. In the first years of collectivisation, the working class provided comprehensive support for the movement's offshoots. After the Party's 15th Congress, when the socialist industrialisation of the country scored its first successes and when the collectivisation turned into a mass peasant movement, the working class was faced with the urgent task of determining in what form the Soviet state could most fully ensure its guiding role in the collective-farm movement and render production aid to the countryside. Collectivisation required that the Soviet state and the working class should directly influence both the reorganisation of agriculture and the further development of collective farms by providing them with machines.

Through the practice of socialist construction in the countryside, the Communist Party established the proper form of the Soviet state's direct guidance over the collective-farm movement, namely, by means of the machine-and-tractor stations (MTSs). The MTSs embodied a correct combination of state and collective-farm property in collective-farm production most fully complying with the interests of both the collective farms and the Soviet state. They served as a powerful lever for the planned guidance of collective-farm production by the Soviet state. The decision of the CC

CPSU(B) of December 29, 1930, summed up the results of the first year's work of MTSs and noted that they had helped to reveal and check a form of organising large-scale collective agriculture by the Soviet state on a high technical basis, a form most fully combining the independent activities of collective-farm masses in promoting their collective farming with the organisational and technical assistance from and guidance of the proletarian state.

Consequently, the organisation of MTSs was an objectively necessary move designed to retain the leading role of public property in collective-farm production. This ensured the guiding role of the Soviet state in the development of collective farms and turned the MTSs into powerful economic levers for the revolutionary influence of the working class on its ally, the toiling peasantry.

The Communist Party used the MTSs to ensure the bond between the working class and the peasantry. They played an important role in consolidating the alliance of the working class and the toiling peasantry, ensuring the guiding role of the working class in this alliance. The Soviet state used the MTSs to supply the countryside with new machinery, and through them it ensured the leading role of the working class in the organisation and development of collective-farm production.

The first MTSs were organised on the basis of tractor columns, a practice dictated by the experience of collectivisation. In the first years of Soviet power, tractors were sent not only to state farms and collective farms, but also to hiring stations, machine associations and individual farms.

But as early as 1926 it became clear that it was inexpedient to sell tractors to individual peasant households. In the first place, the tractor in such a household could not be exploited efficiently, and it was doomed to stand idle for long periods. In the second place, poor and middle peasants could not afford to buy tractors. Hence, they would inevitably become dependent on kulaks, who gained the opportunity of using tractors as instruments for subordinating and exploiting poor and middle peasants. This was why the Soviet state prohibited the sale of tractors to individual

households. At the end of 1928 the ruling was extended to machine associations.

On the eve of mass collectivisation, tractors were sent mostly to state farms and collective farms. In 1928 most tractors were concentrated in the socialist sector. For example, the socialist sector in the agriculture of the RSFSR commanded 88.4 per cent of the republic's tractor pool.

Concentrating most tractors in the hands of collective farms and lower forms of agricultural co-operatives had an important effect on the development of the socialist sector in agriculture and the struggle against kulaks. Yet the tractor pool was dispersed and was exploited inadequately.

The first successes of industrialisation increased the supply of tractors to agriculture. Now the issue was to ensure the most efficient exploitation of tractors and machines sent by the towns to the countryside, through grouping tractors in columns. In 1927 the workers and office employees of the Shevchenko State Farm in Odessa Region organised a tractor column to assist poor and middle peasants in Berezovsky District. Their success was mentioned in the Central Committee's report to the Party's 15th Congress. In its resolution "On Work in the Countryside", the Congress said that it was necessary to organise tractor columns, hiring-out and agronomical stations on state farms.

Fourteen tractor columns with 320 tractors were organised following the example of the Shevchenko State Farm. In 1929 the grain co-operatives of the RSFSR had 61 tractor columns with 1,961 tractors. Many other state farms followed suit.

The tractor columns became powerful weapons for the socialisation of peasant means of production, helping to erase strip farming and to organise, first, the simple types of collective farms, and then agricultural artels.

In 1928 the tractor column of the Shevchenko State Farm was reorganised into the first MTS. In the RSFSR the first MTS was organised at the end of 1928 on the Khutorok State Farm. The first co-operative MTSs were organised in the

same year. Collective farms also began to set up MTSs. In short, the first MTSs were set up by state farms, co-operatives and collective farms themselves.

At first, there were few MTSs (early in 1929 there were 2 state and 78 co-operative MTSs), but they proved to be a truly essential means of providing collective-farm production with machine services and a form of socialisation of the most important production processes in agriculture.

The analysis of the work of the first MTSs proved their organisational role in the collectivisation of peasant households. This was noted by the Plenary Meeting of the CC CPSU(B) in November 1929. The Plenum in its decision noted the particular importance of MTSs in the organisation of large collective farms: "By providing broad opportunities for peasant households to utilise the advantages of modern machinery, the machine-and-tractor stations must become centres of 100 per cent collectivisation in whole districts."¹

At that time it became necessary to centralise the guidance of the MTSs. In June 1929 it was decided to set up the All-Union Centre of Machine-and-Tractor Stations (Traktorotsentr) as a special autonomous centre, initially run along the lines of a joint-stock company, within the Kolkhozsentr system. In order to step up the organisation and development of MTSs it was decided that investments would come not only from the state, but also from co-operative organisations and the peasants (collective farms). There were also many independent co-operative MTSs—200 in 1930, but soon it became clear that the management of MTSs should be concentrated in the hands of the state.

Beginning with 1930 the state gradually began to take control. In 1930, in addition to the Traktorotsentr MTSs, there were also co-operative MTSs, whereas in 1931 all MTSs were handed over to the state.

¹ *The CPSU in Resolutions..., Part II, 7th. ed., Moscow, 1954, p. 646 (in Russian).*

**Traktorotsentr
Machine-and-Tractor Stations**

| Indicators | 1930 | 1931 | 1932 |
|---|--------|---------|---------|
| Total number of collective farms | 85,900 | 211,100 | 211,100 |
| Number of MTSs taking part in spring sowing campaigns . . . | 158 | 1,228 | 2,115 |
| Number of tractors in MTSs . . . | 7,102 | 50,114 | 72,413 |
| HP capacity of tractors in MTSs | 86,784 | 681,705 | 931,237 |

The table shows that in the period from 1930 to 1932 the number of MTSs increased more than 13-fold, and the MTS tractor pool, more than tenfold. The investments increased from 113 million rubles in 1930 to 589 million in 1932, while fixed assets rose from 15.2 million rubles to 383.8 million rubles.

Thus, in a short interval the Soviet state created a powerful network of MTSs. These MTSs acted as strongholds for building socialism in the countryside and creating socialist production relations there. In the years of mass collectivisation, the MTSs organised collective farms and directly influenced the socialisation of peasant means of production. Through experience the peasants were convinced that tractors gave them tremendous advantages. Accordingly they confidently followed the working class in organising the small households into large collective farms. The collective farms organised with assistance from the MTSs were stable and strong.

The work of the first MTSs proved that they encouraged the collectivisation of peasant households. For example, in Berezovsky District, Odessa Area, where there were only two MTSs—one state MTS on the Shevchenko State Farm, and one MTS which belonged to an agricultural co-operative—the percentage of collectivisation was well above the average for Odessa Area as a whole.

ORGANISATION OF CO-OPERATIVES

Rates of Collectivisation in Berezovsky District¹

| Years | Percentage of collectivised households | | Percentage of socialised land | |
|-------------------|--|---------------------|-------------------------------|---------------------|
| | Odessa Area | Berezovsky District | Odessa Area | Berezovsky District |
| As of 1. X. 1927 | 6.2 | 0.8 | 5.7 | 1.2 |
| As of 1. X. 1928 | 13.5 | 23.3 | 12.1 | 30.9 |
| As of 1. IV. 1929 | 17.2 | 36.2 | 15.4 | 44.6 |

¹ *Sotsialisticheskoye Stroitelstvo SSSR*, Moscow, 1936, pp. 241, 245.

The table shows that because of the MTS the socialisation of peasant households and land of Berezovsky District proceeded at a much faster rate than in Odessa Area as a whole. The largest collective farms were organised in the vicinity of MTSs. In April 1929 each collective farm in Berezovsky District had an average of 35 households and 458 hectares of land, compared with the average of 21.4 households and 247 hectares of land per collective farm in Odessa Area as a whole. The following table illustrates the influence which the Shevchenko State-Farm MTS exercised on the size of the collective farms it served:

| Collective farms | Number of households | Land area (in hectares) |
|------------------------|----------------------|-------------------------|
| Dorozhka Ilyicha . . . | 162 | 1,969 |
| Kolosovka | 211 | 2,075 |
| Marinovo | 104 | 1,352 |

The same trait was observed during an investigation of 7 grain co-operative MTSs in the Middle and Lower Volga areas, Central Black Earth Region and the North Caucasus. Since at the first stage the most developed MTSs were to be found precisely in grain-growing areas (due to the important

role of MTSs in the solution of the grain problem), it is clear that the data of this survey may be regarded as typical for all MTSs.

Collectivisation in the Areas of 7 MTSs

| MTSs | Collectivisation prior to March 1930 (per cent) | | Collectivisation during the first ten days of sowing (per cent) | |
|--------------------------|---|----------|---|----------|
| | Administrative district | MTS area | Administrative district | MTS area |
| Mineralovskaya | 97 | 97 | 85 | 90 |
| Shukrinskaya | 88 | 93 | 78 | 88 |
| Kriushanskaya | 53 | 97 | 30 | 80 |
| Shenbalskaya | 59 | 93 | 40 | 70 |
| Zholtinskaya | 91 | 97 | 49 | 65 |
| Okhochevskaya | 90 | 97 | 12 | 82 |
| Paryevskaya | 90 | 95 | 7 | 25 |

The table shows that prior to March 1930 and during the sowing period the percentage of collectivisation in MTS areas was higher than in the administrative districts as a whole where the MTSs were located. The table also shows that after March 1930 the exodus of peasants from collective farms was lower in MTS areas than in the administrative areas. It will be recalled that some collective farms in certain areas of the country were disbanded because of distortions of the Party line in the collective-farm movement—distortions manifested in the violation of the principle of voluntariness and in the jumping over the agricultural artel to the agricultural commune. The CPSU(B) resolutely renounced these violations, thus ensuring strict observance of Lenin's principles of the collectivisation of agriculture. MTSs played an important part in this.

By promoting complete collectivisation, the MTSs fostered the eradication of kulaks as a class.

Stressing the need to supply agriculture with modern machinery, Lenin said at the Party's 10th Congress: "If

ORGANISATION OF CO-OPERATIVES

you can give the peasant machines you will help him grow, and when you provide machines or electric power, tens or hundreds of thousands of small kulaks will be wiped out."¹

The MTSs induced the peasants to join collective farms and raised the latter's marketable surplus far above that of individual households. Thus they helped to replace kulak by collective-farm production. By eliminating border-lines between fields and by bringing under tillage virgin and long-fallow lands, the MTSs deprived the kulaks of lands free to rent and forced them out to remote, unfertile lands. In districts with MTSs kulak exploitation of poor and middle peasants was almost completely wiped out. For example, within the area serviced by the Pyryev MTS (Central Black Earth Region) kulaks and prosperous peasants rented 617 hectares of land in 1929, but when the MTS was organised the area of rented land dropped to 10 hectares. In 1928-1929 kulaks and prosperous peasants in the area of the Okhochevskaya MTS (Central Black Earth Region) were renting 794 hectares of land, while in 1929-1930 rent relations were completely abolished.

In the drive against the kulaks, the MTSs carried out much explanatory work among peasants. But their main weapon was their own work proving the advantages of employing machinery on collective farms. In the struggle against the kulaks, poor and middle peasants rallied around the MTSs. In the course of this struggle both the alliance of workers and peasants and the leading role of the working class were strengthened.

The other socialist countries followed the Soviet Union's example in using MTSs as a form of organising a broad machine base for servicing collective-farm production and for influencing the socialisation of peasant means of production. In spite of the distinctions in the European socialist countries, the MTSs there were widespread and played an outstanding role in the socialist reorganisation of agriculture immediately after the victory of people's power. But to achieve this, the people's state in the first years of its existence had to bear the great expenses connect-

¹ V. I. Lenin, *Collected Works*, Vol. 32, p. 225.

ed with the provision of MTSs with tractors and other necessary farm machinery. At that time only the state could ensure the technical re-equipment of agriculture. Neither individual peasants nor production co-operatives had sufficient funds for the purpose. Mutual assistance by the socialist countries was an important contributing factor.

A typical trait in the European socialist countries was that the MTSs were used to serve individual farms. A broad network of MTSs with modern farm machines was created during the preparatory period for mass production co-operation.

The following data about the number of MTSs in the European socialist countries was published by the Institute of Economics of the World Socialist System, the USSR Academy of Sciences:

| Countries | 1950 | 1955 | 1960 | 1963 |
|--------------------------|------|------|------|------|
| Albania | 11 | 21 | 25 | 28 |
| Bulgaria | 95 | 167 | 211 | 93 |
| Hungary | 361 | 312 | 243 | 231 |
| GDR | 514 | 600 | 599 | 584 |
| Rumania | 102 | 221 | 243 | 258 |
| Czechoslovakia | 208 | 256 | 106 | 102 |
| Poland | 154 | 424 | 366 | 361 |

In the first years of the socialist revolution the MTSs served to strengthen the peasant farms, raised poor peasants to the level of middle peasants, eliminated their dependence on capitalist elements owning tractors and other farm machines. In helping individual peasants, the MTSs persuaded them of the advantages of mechanised agriculture, but at the same time they made it plain that these advantages could be most fully utilised only by socialising labour and eliminating small plots of land.

Now let us review briefly how the MTS system developed in the socialist countries.

In the GDR, for instance, a broad network of MTSs existed back in 1952, when peasants began to join production co-operatives (there were 59 co-operatives at that time). Machine-hire posts were the first to be opened. In 1947 there were 3,867 such posts, but most of them were in the hands of kulaks. Later, they were reorganised into machine-hire stations (MHS). When the First Conference of the Socialist Unity Party of Germany (January 1949) adopted the decision to turn MHSs into state organisations, the peasants began to receive considerably more tractors and other farm machines. At the end of 1949 all MHSs became state property. By that time the MHSs had 11,950 tractors. In 1952 the MHSs were renamed machine-and-tractor stations (MTSs). The MTSs played a decisive part in developing production co-operation among peasant farms in the GDR.

In Czechoslovakia, peasant machine co-operatives began to appear immediately after the end of the World War II. At the end of 1948 there were 7,272 local machine co-operatives, including 100 local electrification co-operatives. The number of machine stations of district marketing co-operatives and district national committees was rapidly growing. State MTSs were organised in 1949 on the basis of state machine stations of district national committees. Their numbers quickly increased and their material and technical base rapidly expanded. The MTSs in Czechoslovakia exerted a great economic and political influence on the toiling peasantry, prompting them to move towards socialism.

It will be recalled that in 1949-1950 some 16,000 tractors and other farm machines were bought out from the peasantry as a result of the implementation of the Law on the Mechanisation of Agriculture of February 2, 1949. This law, strictly class in nature, was designed to free toiling peasants from kulak exploitation. The kulaks and former landlords were compelled to sell their machines to the state. Thus their economic power was undermined.

During the formative period of production co-operatives, the Communist Party of Czechoslovakia paid much attention to extend MTS services not only to agricultural co-operatives, but also to individual peasants. The Party's 10th Congress stressed that the establishment of co-operatives

should be accompanied by boosts of aid to individual farmers.

In Hungary, the first 11 MTSs were opened in 1948. In the same year the first MTSs appeared in Rumania. The latter organised mutual assistance teams and associations for joint exploitation of MTS machines.

In Bulgaria, mixed state co-operative MTSs were organised in 1945-1948. In 1948 they were reorganised into state self-supporting enterprises. At that time there were 71 MTSs with 3,600 tractors. They provided services not only to agricultural co-operatives, but also to individual farmers, helping them to make use of new machines and agrotechnics. In Bulgaria, too, the MTSs acted as organisers of large-scale co-operative production.

As distinct from the European socialist countries, the MTSs in China and the Korean People's Democratic Republic arose in the co-operative movement with the aim of offering production services to large co-operatives. In Mongolia, where cattle-breeding was predominant, machinery was at first concentrated in horse-mowing stations (HMS). There were 70 such stations at the end of 1956. The HMSs helped *arat* farms and associations of farms lay in stores of fodder. But when the co-operative movement began to spread, the HMSs could no longer serve all its purposes. In August 1956 the CC MPRP and the Council of Ministers decided to transform HMSs into machine cattle-breeding stations (MCBS) designed to help agricultural associations in cultivation and cattle-breeding. By supplying co-operatives with machinery and helping them organise socialist labour, the MCBSs enhanced production co-operation among *arat* households.

In their efforts to promote the growth of production co-operatives, the MTSs signed agreements with production co-operatives and peasant households. In the USSR the first standard agreement between MTSs and collective farms was worked out in 1930. It reflected the leading role of MTSs in the socialist reorganisation of agriculture. At that stage of development, the main tasks of MTSs were collectivisation and the struggle against the kulaks. The standard agreement stated, accordingly, that its central goals

were the organisation of large mechanised collective farms, the growth of labour productivity and production of marketable surpluses to ensure the victory over the kulaks.

The agreement stipulated that the MTSs would provide collective farms with tractors and ancillary attachments, threshers, harvesters and other machinery, and also organisational and technical aid in developing cattle-breeding, horticulture and other socialised branches of collective farming. All land was to be pooled. The agreement contained important provisions as to how the collective farm was to organise and conduct its work. Though all these provisions were drawn up in general terms, they all insisted on one and the same point—the stipulated organisational and agrotechnical measures should serve to raise the harvests, stimulate profit on collective farms, and intensify the exploitation of machines provided by MTSs.

In the European socialist countries, MTSs signed similar agreements not only with production co-operatives, but also with individual peasant households. Thus, the latter were gradually drawn into collective production. In Bulgaria, the agreements between MTSs and agricultural associations or individual peasant households provided for MTS agrotechnical services, as well as a fixed amount of work during the stipulated time-limit. Since the MTSs were paid in kind, they were interested in accomplishing this work as fast and effectively as possible.

In many socialist countries the co-operative movement was directed by the MTS political departments. They were first organised at MTSs and on state farms in the USSR by decision of the CC CPSU(B) in 1933. This decision was made because at the initial stage the political influence of MTSs on collective farmers was minor, despite their important role in organising and strengthening collective farms. In order to strengthen the MTSs and state farms politically, augment the political role and influence of MTSs and state farms in the countryside, and decisively improve the political and economic work of Party organisations on collective farms and state farms, the CC CPSU(B) decided to organise political departments at MTSs. These political departments

were destined subsequently to play a decisive role in turning the MTSs into agencies of workers' political and economic influence on the peasantry. The political departments considerably promoted the leading role of the working class in its alliance with the peasantry and helped to eradicate kulak elements in the collective farms.

The other socialist countries followed suit by organising political departments. In June 1951 the CC BCP decided to organise political departments in all MTSs in Bulgaria. They were made responsible for political work both in MTSs and agricultural associations. In 1952 a similar decision was taken by the CC SUPG. The MTS political departments in the GDR became centres for political, cultural and organisational work among the peasantry. Some of them opened schools and institutes of political leadership.

After their mission had been completed, the political departments were abolished. The experience of MTSs in organising political work in the countryside through the agency of their political departments or other organisations underscores the major impact of the MTSs in strengthening the economic and political alliance of workers and peasants during the evolution of the co-operative movement.

State socialist agricultural enterprises played an important role in the socialist reorganisation of agriculture in the USSR and the other socialist countries. This role was dual in the transitional period from capitalism to socialism. Firstly, being large socialist enterprises, they were strongholds of the dictatorship of the proletariat in the countryside and, as such, exerted a tremendous political and economic influence on the toiling peasantry, convincing them through practice of the advantages of large-scale socialist farming. Secondly, state socialist enterprises in the countryside today play an important part in the economy of socialist countries as major producers of marketable goods necessary for the supply of foodstuffs for towns and raw materials for industry.

The economic necessity and feasibility of organising state enterprises in agriculture after the establishment of the dictatorship of the proletariat are dictated by the existence

of large-scale privately run production in the countryside with the concomitant ruination of small and middle farms and proletarianisation of the peasantry. Here, as in industry, the concentration of production gains momentum, albeit at a slower pace. Thus, the scale of production grows even in the capitalist countries where the process of production is socialised, but the appropriation is private capitalist.

In order to pre-empt this trend, the founders of Marxism recommended the organisation of large-scale socialist production in agriculture immediately following the seizure of power by the proletariat. In *The Peasant Question in France and Germany*, Engels said: "As soon as our Party is in possession of political power it has simply to expropriate the big landed proprietors just like manufacturers in industry." Further on he adds: "At any rate the transformation of the capitalist enterprise into a social enterprise is here fully prepared for and can be carried into execution overnight, precisely as in Mr. Krupp's or Mr. von Stumm's factory."¹ Engels stressed that these enterprises should play an important role in convincing the peasants of the advantages of large co-operative enterprises.

This question was elaborated by Lenin. Before the socialist revolution, Russia had relatively few large capitalist farms with machines and developed agrotechniques, so after the revolution it was expedient to organise large farms on former landed estates. In Lenin's works written before the October Revolution it was already stated that after the establishment of the dictatorship of the proletariat it would be necessary to organise public enterprises on expropriated lands; these enterprises would be managed by the workers themselves and would employ machines. In the April 1917 Theses, Lenin advocated the nationalisation of land and "the setting up of a model farm on each of the large estates under the control of the Soviets of Agricultural Labourers' Deputies and for the public account."²

After the proletariat took power into its own hands,

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 474.

² V. I. Lenin, *Collected Works*, Vol. 24, p. 23.

Lenin often considered the question of organising Soviet enterprises on former landed estates. He stressed the significance of such enterprises for the socialist reorganisation of agriculture and urged a cautious approach to the organisation of state farms; such state farms, he insisted, should be assisted by the state in every possible way.

State farms began to appear in the very first years of Soviet power. An important role in this movement belonged to the "Instrument on Socialist Land Tenure and Measures for the Transition to Socialist Agriculture". The Instrument explained the need for the organisation of state farms, which were considered key factors in preparing the peasantry for production co-operatives and instituting the collective-farm movement in the countryside. The Soviet state used such farms as agencies through which it helped the peasants with seeds, pedigree cattle and machines. Together with agricultural co-operatives, state farms organised hire and breeding stations, and repair shops. They organised tractor columns which later were converted into MTSSs. They popularised agrotechnical knowledge and demonstrated how large socialist enterprises should be managed and what advantages they offered before small individual households. The Soviet state used the state farms to spread culture and education in the countryside.

In its decision of February 9, 1925, the CC RCP (B) underlined the importance of state farms for strengthening the alliance of the working class and the peasantry. It was decided to make the state farms both profitable and model socialist enterprises, and also to increase aid to individual peasant households through the state farms.

The Party's 15th Congress, which charted the road for the collectivisation of agriculture, also stressed the importance of state farms and collective farms as economic strongholds for strengthening the bond between town and country, for isolating the kulaks and ensuring the guidance of the poor peasantry by the working class.

In 1926-1928 the state farms, which had grown considerably by then, were in a position to offer substantial assistance to the peasantry. This can be seen from the following table:

| Type of assistance | 1926 | 1927 | 1928 |
|--|--------|--------|--------|
| Organisation of breeding stations | 650 | 766 | 799 |
| Organisation of hire stations | 234 | 260 | 365 |
| Organisation of grain-cleaning stations | 374 | 452 | 493 |
| Organisation of repair shops | 51 | 78 | 106 |
| Supply of pedigree cattle ('000 head) | 22.8 | 31.1 | 47.7 |
| Supply of seeds (tons) | 16,960 | 36,250 | 67,130 |
| Supply of saplings ('000) | 103.1 | 345.9 | 1,053 |
| Organisation of clubs, recreation and reading-rooms, libraries | 599 | 707 | 792 |
| Organisation of agricultural exhibitions | 105 | 178 | 201 |
| Organisation of experimental and model fields | 18 | 37 | 118 |
| Arrangement of reports, lectures and talks | 2,358 | 3,008 | 3,954 |

In July 1928 the Plenary Meeting of the CC CPSU(B) adopted a decision "On the Organisation of New (Grain) State Farms". This decision was pivotal in increasing the flow of marketable grain from state farms and collective farms and in preparing economic grounds for eliminating the kulaks as a class.

The Communist Party and the Soviet Government showed great concern for the state farms, financing their operations and supplying them with machinery. In 1927/28-1929/30, the state farms received 1,407.7 million rubles in short-term credits. In the period between the Party's 15th and 16th congresses, they received 18,000 tractors with an aggregate capacity of 350,000 hp. The number of state farms increased from 3,125 with a total sown area of 1,735,000 hectares in 1928 to 4,870 with a total sown area of 3,926,000 hectares in 1930. The percentage of mechanisation rose from 53 in 1928 to 78.6 in 1930.

As a result of this considerable financial and technical aid, the state farms were in a short time converted into

large model socialist enterprises employing modern machinery and modern agrotechnics.

The mass collectivisation movement in 1929 would have been impossible without the positive examples set by the first state and collective farms.

The other socialist countries drew on the Soviet Union's experience of organising state farms and employing them for the socialist reorganisation of agriculture. In 1920 Lenin wrote: "As to the mode of cultivation of the land that the victorious proletariat confiscates from the big landowners, the distribution of that land among the peasantry for their use has been predominant in Russia, owing to her economic backwardness; it is only in relatively rare and exceptional cases that state farms have been organised on the former estates.... The Communist International is of the opinion that in the case of the advanced capitalist countries it would be correct to keep most of the big agricultural enterprises intact and to conduct them on the lines of the 'state farms' in Russia."¹

The revolutionary practice of the socialist countries confirmed Lenin's prediction that state farms would become the highest form of the organisation of socialist agriculture based on public (state) socialist ownership. In all countries they played a major role in consolidating the alliance of the working class and the peasantry, they served as the economic and political basis for ensuring the guiding role of the working class in this alliance. Through the exemplary management of large-scale economic units, the state farms directly influenced the development of the co-operative movement among peasants. They were established in all the socialist countries immediately following the agrarian reform.

In Bulgaria, the first state farms were formed after a governmental decision of September 27, 1947, which formulated their task of helping agricultural associations and individual peasant households by supplying them with pedigree cattle.

In the GDR, model people's estates under provincial management were formed back in 1945. Next followed state

¹ V. I. Lenin, *Collected Works*, Vol. 31, pp. 159-60.

agricultural institutions and enterprises which had an important part to play in socialist construction in the countryside. State agricultural enterprises were organised on land nationalised during the agrarian reform. In 1950 there were 559 people's estates with 205,500 hectares of land. By 1956 their number dropped to 555 (there were 614 of them in 1952) due to mergers, but acreage increased to 306,700 hectares. The people's estates were provided with modern machinery. The growth of such estates, like the growth of MTSs, preceded the process of production co-operation in the countryside.

In Yugoslavia, the state farms continue to be the main and so far nearly the only form of socialist undertaking in the countryside. These farms are developing alongside individual farms and lower types of peasant co-operatives. In Cuba, the socialist sector is represented mostly by state farms occupying more than 40 per cent of the cultivated land.

In China, state farms were organised before the establishment of production co-operatives. They were set up on land nationalised in conformity with the law of agrarian reform. This land included some landed estates, particularly fallow lands and large tea and bamboo plantations. Most of the state farms were organised on fallow or unfertile lands and were deficient in modern machinery. In 1950, for instance, there were 1,215 state farms, but only 36 were mechanised. In 1956 there were 2,219 state farms, of which only 166 were mechanised. Most of the cultivated land was in the hands of mechanised state farms. In 1950 the latter accounted for 89,300 hectares out of the total of 155,000 hectares of cultivated land; in 1956, they accounted for 447,000 hectares of the total of 587,500 hectares.

In 1956 large mechanised state farms were transferred to the new Ministry for State Farms and the Development of Virgin Lands. The number of state farms in China quickly increased during the years of mass establishment of production co-operatives. A considerable amount of virgin land was brought under the plough. In 1957 the Ministry was in charge of 710 state farms with 1,200,000 hectares of arable land; in 1958 it administered 1,400 state farms with approximately 830,000 hectares of formerly virgin lands.

The organisation of state farms in China was a preliminary to the establishment of production co-operatives on a broad scale. State farms, evincing new forms of collective labour, strongly influenced the peasantry. Many of them offered direct aid to mutual-assistance groups and agricultural co-operatives in carrying on production.

In the Democratic Republic of Vietnam state farms were set up on former French plantations and local landed estates. Nineteen state farms were organised between 1956 and 1958, and, of this number, ten with Soviet aid. These state farms were granted 60,000 hectares of farmlands. Subsequently the state farms began to develop virgin lands for plantations under coffee, tea, citrus fruits, cotton and rubber. Cattle-breeding is spreading: there are many pig and poultry farms. The USSR and the other socialist countries have supplied these farms with modern machinery. As distinct from the other countries, the state farms in the DRV are specialising in industrial crops; they also supply production co-operatives with high-grade seeds and dairy cattle.

In the Korean People's Democratic Republic as in China the organisation of state farms preceded mass collectivisation and played an important role in developing the socialist sector in agriculture. The first 16 state farms were organised before the war. In 1953 there were 222 state farms with a total of 40,000 chonbo (1 chonbo = 0,99 hectare) of arable land (cf. 6,000-7,000 chonbo before the war).

In Mongolia, state farms were organised long before the establishment of production co-operatives among *arat* households. At first, they grew only cereals but soon there appeared cattle-breeding and mixed state farms. Before mass collectivisation they already became the principal suppliers of pedigree cattle to agricultural associations and *arat* farms. They also provided high-grade seeds to agricultural associations and individual *arat* households. At the beginning of mass co-operation (1956) there were 20 state farms, of which 13 raised cattle and 7 cultivated grain crops. The state farms played an important role in creating and reinforcing the material and technical basis for agriculture. Like the mechanised cattle-breeding stations, they had many

tractors, harvesters and farm machines. The conversion of state farms into large socialist enterprises with modern machinery exerted a strong impact upon the peasantry and helped unite them, initially in mutual-assistance teams, and then in production co-operatives.

Large, modern socialist enterprises, the state farms were very efficient. In 1952, for instance, the average yields of grain in the GDR (excluding people's estates) stood at 2.48 tons, of sugar beet—29.3 tons, and potatoes—17.2 tons per hectare; the corresponding yields in the people's estates were 2.81, 31.4 and 18.1 tons per hectare. What is more, production costs on people's estates were much lower. The same was true of the other socialist countries. While the organisation of production co-operatives was still in progress, people's estates in the GDR and state farms in Bulgaria, Czechoslovakia, Rumania and other socialist countries played a major role in supplying the first co-operatives and individual peasant households with high-grade seeds, saplings and highly productive cattle. They also helped introduce the latest achievements of agronomy.

§ 5. SOCIALIST TRANSFORMATION AND THE CREATION OF THE MATERIAL AND TECHNICAL BASIS OF SOCIALISM IN AGRICULTURE

In all the socialist countries the MTSs not only promoted the socialisation of peasant means of production, but also represented an advanced form of the organisation of a major machine basis for rendering services to production co-operatives. The question arises: to what degree do the feasibility of and the need for peasant production co-operation depend on a modern material and technical basis in agriculture?

The answer to this question, found in the course of revolutionary practice, is of tremendous importance for countries which will build socialism and for the liberated countries which have taken the non-capitalist road of development. This is precisely why the Soviet Union's experience is of great interest.

Before and during mass collectivisation, most collective farms in the USSR stood at the manufactory stage of development. Public property was created there by the simple pooling of peasant means of production. Therefore, horse-drawn machines and implements and hand implements formerly owned by the peasants were the keystone of collective-farm production.

The pooled implements of labour in collective farms act, from the very beginning, as a new productive force; the peasant productivity is enhanced because even the simple pooling of peasant implements is more effective.

Collective farms use farm implements more efficiently. For example, on relatively large individual farms of 10 to 15 hectares of sown area, the reapers and sowers are exploited only 20-25 per cent of potential capacity, while on collective farms their employment increases several fold. A survey conducted on individual farms in Snegiri District (Kherson Area) showed that one sower serviced an area of 32 hectares in a peasant household in 1927; on a collective farm in 1930 this same machine sowed an area of 112 hectares, a 3.5-fold increase.

The most important economic effect achieved by the simple pooling of peasant implements of labour, i.e., by joint peasant labour based on manual and horse-drawn techniques was that collective farms increased their sown areas by 30 to 50 per cent. When farming individually the peasants were unable to cultivate virgin and vacant lands with the implements they had at their disposal. Having joined the collective farms and pooled their inventory the peasants upgraded work productivity. Thus, they were able to use this new productive force for the development of virgin and waste lands.

Here are some data for 1929 to show the growth of sown area on collective farms contrasted with that on individual peasant holdings. Setting the sown area of individual peasant households as 100, we have 163 per cent for collective farms in the Ukraine, 220 in the Northern Caucasus, 411.7 in the Lower Volga Area, 245 in the Middle Volga Area, and 109.4 per cent in the Central Black Earth Region.

In 1932 collective farmers sowed 91.5 million hectares,

compared with 63 million sown before joining the collective farms. The collective farms tilled 12 million of the 15 million hectares which were previously sown by kulak households, and at least 8 million hectares formerly worked by individual peasants. Moreover, during the first five-year period the collective farms opened up 9 million hectares of virgin lands.

True, these successes were made possible by virtue of the considerable assistance in tractors and complicated implements offered by the Soviet state through the MTSs, but it is also clear that much depended on higher labour productivity on the collective farms, in spite of the fact that they were still at the manufactory stage of development. In 1931 some 75.5 per cent of collective farms, accounting for 62.9 per cent of collective-farm lands, were not serviced by MTSs; in 1932 the percentages dropped to 66 and 50.7, respectively.

The pooling of peasant means of production and socialisation of labour brought tremendous advantages both to the society in general and to the peasant households during the first years of production co-operation in the other socialist countries as well. In Albania, for instance, agriculture was very backward before the formation of the people's democratic state. The organisation of production co-operatives on the basis of a simple pooling of peasant implements yielded immediate and substantial results. In 1953 the average yields of wheat (nearly 1.6 tons per hectare) in agricultural co-operatives doubled the prewar level. In 1954 agricultural co-operatives harvested 24 per cent more wheat, 21.8 per cent more corn, 112 per cent more cotton, 194 per cent more sugar beet, and 15 per cent more tobacco than did individual farms.

Production co-operatives in Bulgaria, Rumania and the other socialist countries, where manual work and draught animals were at first predominant, also produced higher yields than did the individual peasant households.

According to the figures for 1955, the average yields of grain crops in production co-operatives in the Korean People's Democratic Republic surpassed those of individual peasants by 9.8 per cent. Each household received 15-33 per

cent more grain and 50 to 100 per cent more cash than before the agricultural co-operatives were organised.

In the DRV the successes of co-operation in the countryside were reflected in the higher yields of many crops, and notably rice, which is now cultivated predominantly by production co-operatives. This can be seen from the following table.

| | 1955 | 1957 | 1960 | 1964 |
|--|------|-------|-------|------|
| Growth of rice yields (tons per hectare) | 1.52 | 1.801 | 2.284 | 2.35 |

The pooling of simple tools permitted Vietnamese peasants to develop jointly new lands; the production co-operatives, assisted by the state, repaired old or built many new irrigation systems.

Thus, the development of collective farms in the USSR and production co-operatives in the other socialist countries shows that mass production co-operation in the countryside is feasible and should be undertaken even if the modern machine basis has not yet been built. Collective farms, organised by the simple pooling of peasant implements, immediately bring tremendous economic profits to the state and the peasantry, even before they are supplied with machines.

The unification of peasants in co-operatives opens up broad opportunities for the comprehensive introduction of modern agrotechnics, mineral fertilisers, medium-size irrigation works, dams, hydro-electric power plants and pumping stations long before the actual technical modernisation of agriculture.

Naturally, nobody denies that the technical modernisation of agriculture is an essential prerequisite for socialism. But depending on local conditions, agriculture can be temporarily organised along socialist lines, even before the creation of a new technical basis. The latter hinges upon a number of factors, notably the level of the industry producing agricultural machinery and other production facilities. How-

ever, the transfer of collective farms to a new machine basis, i.e., the technical reconstruction of agriculture, is essential for consolidating production co-operatives and socialist production relations.

Only industrialisation can provide a material and technical basis adequate to socialism, without which the operation of the main economic law of socialism, the law of the continual growth of labour productivity, the laws of socialist reproduction on a country-wide scale, distribution according to the work done in the interests of increasing collective-farm production, etc., is restricted.

In the USSR, inefficient peasant implements served as the basic means of production on most collective farms before mass collectivisation. Wooden ploughs and harrows were widespread. Most of the work was done by draught animals. As of October 1, 1926, there were 19,541 tractors with a total capacity of 199,700 hp. Of the total of 13,100 tractors which agriculture received in 1925/26, only 732 Universal 10-hp tractors were manufactured in the USSR. The remainder came from abroad. There were practically no harvesters. The country was short of many other farm implements and machines.

The further development of collective farms and the creation of an all-embracing socialist sector in agriculture thus called for a sharp increase in the output of farm machines. The impending transition of millions of peasants to large-scale socialist collective production called for the establishment of the corresponding material and technical basis so as to expedite the upgrading of all collective farms from the manufactory stage to the level of large-scale mechanised agriculture.

When NEP was introduced the development of the country's economy depended on agriculture, but subsequently it became clear that the whole national economy, and particularly agriculture, could make no headway without industrialisation. The establishment of a large-scale machine-building industry to convert the USSR from an agrarian to an industrial country was needed to guarantee the Soviet Union's independence and provide the foundation for a socialist economy.

Lenin frequently stressed that the way out of poverty and ruin lay through the quick restoration of the old and creation of a new large-scale industry capable of re-equipping agriculture. He wrote that socialist—as distinct from capitalist—industrialisation opens up before the peasants a prosperous and cultural way of life on the basis of collective farming.

Lenin believed that a powerful modern machine-building industry was a necessary condition for the growth and socialist reorganisation of agriculture. Only industry could render effective aid to the peasants and create the foundation for agricultural growth.

In December 1925 the Party's 14th Congress adopted a programme for the socialist industrialisation of the country. This programme proceeded from Lenin's instructions that it was necessary to overcome Russia's technical and economic backwardness as soon as possible and to outstrip the capitalist countries.

The Soviet Union was faced with an acute problem: either to build a powerful heavy industry for manufacturing the means of production, thus securing economic independence from the capitalist countries and laying the foundation for socialism, or to lose independence and become an appendage of the world capitalist system.

Socialist industrialisation was conducted in the historically shortest possible time; its growth rates were, because of the internal and external situation, unprecedented. This further stimulated the growth of the socialist industry by ousting capitalist elements. The latter's share quickly fell—from 4 per cent in 1925-1926 to 0.9 per cent in 1928-1929. Trade capital also lost its economic positions.

Lenin's plan for the country's electrification was implemented successfully. By the beginning of the first five-year plan the electric stations had an aggregate capacity of 1,874,000 kw and produced 5,000 million kwh of electricity a year, thus considerably exceeding the rating and annual output of the power stations in tsarist Russia in 1913. By the end of 1932, aggregate capacity was raised to 4,567,000 kw and the annual output of electricity to 13,400 million kwh.

Heavy industry developed at a particularly rapid pace. Its share in total output of industrial goods went up from 42 per cent in 1927/28 to 48 per cent in 1929/30.

The rapid development of the engineering industry considerably raised the output of farm machines and implements. In the period from 1926/27 to 1927/28 the output increased by 50 per cent (in terms of value). In 1930 large farm-machinery factories were commissioned in Rostov and Gomel, another in Tashkent in 1931; the Kommunar Harvester Factory and the Saratov harvester factory were commissioned in the same year. In 1932 the country produced 10,000 harvesters.

Tractor output was accelerated. Two major tractor plants were built: the Dzerzhinsky Factory in Stalingrad (1930) and the Ordzhonikidze Factory in Kharkov (1931). The development of the farm-machinery industry ensured the gradual increase in the supply of tractors, harvesters and other farm machines and implements. Annual increases in the output of tractors can be seen from the following table:

| Years | Delivery of tractors to agriculture (units) | | | Percentage of Soviet-made tractors |
|--|---|-------------|----------|------------------------------------|
| | Total | Soviet-made | Imported | |
| 1925/26 | 13,100 | 732 | 12,368 | 5.6 |
| 1926/27 | 5,680 | 660 | 5,020 | 11.6 |
| 1927/28 | 3,334 | 850 | 2,484 | 25.5 |
| 1928/29 | 9,466 | 2,800 | 6,666 | 29.6 |
| 1929/30 (including the special quarter of 1930) | 39,242 | 14,108 | 25,134 | 35.95 |
| 1931 | 59,130 | 31,283 | 27,847 | 52.9 |
| 1932 | 46,086 | 46,086 | — | 100.0 |

The rapid growth in the output of domestic tractors permitted the country to discontinue imports in 1932.

Socialist industrialisation turned the Soviet Union from an agrarian country into a country with a developed

machine-building industry, it converted the USSR from an importer of machines and equipment into a country manufacturing all the required means of production. This ensured the Soviet Union's defence capability and made it economically independent of the capitalist world.

The successes of industrialisation and the farm-machinery industry prepared the groundwork for setting up MTSs, an important prerequisite for complete collectivisation and for the elimination of kulaks as a class. It was precisely through the MTSs that the Soviet state introduced modern farm implements based on the latest achievements of science and engineering. The new inventory represented a complex of machinery based on mechanical traction of which the tractor was one. The working class used the MTSs to arm the peasants with the required machines which began to play the decisive role in collective-farm production and considerably raised labour productivity in agriculture.

Thus, by 1938 the transition of the collective farms in the Soviet Union from the level of manufactory production to that of mechanised agriculture had in the main been completed. This served as a basis for the gradual introduction of complex mechanisation on the eve of the Great Patriotic War.

The manufactory stage of development is not always a *sine qua non* for production co-operatives. Many collective farms formed around MTSs during the years of mass collectivisation in the USSR by-passed this stage and began to employ MTS machines as the principal means of production. Collective farms in the Soviet Baltic Republics and in the western regions of the Ukraine and Byelorussia also bypassed this stage. They were organised at a time when the industry was powerful enough to supply them with the required machinery and implements.

Most production co-operatives in the European socialist countries did not pass through the manufactory stage. Thanks to a developed industry and the Soviet Union's generous assistance, MTSs were organised at the very beginning of the co-operative movement and provided the required material and technical basis for production co-operatives. This is why production co-operation in nearly all the European coun-

tries went alongside the creation of the technical basis for agriculture. In some countries, the technical modernisation of agriculture even preceded its socialist transformation. In Czechoslovakia and the GDR, for instance, the MTS appeared before production co-operation began, and the co-operatives were organised on the basis of MTSs.

In China, the Korean People's Democratic Republic and the Democratic Republic of Vietnam production co-operatives were organised by means of the simple pooling of peasant implements which served as the principal means of production on collective farms. These countries broadly drew on the Soviet Union's experience in the manufactory stage of the development of collective farms.

It took the KPDR a relatively short time after the establishment of production co-operatives to move on to the technical modernisation of agriculture. Preparatory work for the overall mechanisation of agriculture was initiated as early as 1956-1957. The country has since the end of 1950 unswervingly followed a course of technical modernisation. As a result of the development of farm-machinery stations as an important element in carrying out the technological revolution in the countryside, ploughing was in 1965 94.7 per cent mechanised, harrowing—92 per cent, transportation—86.7 per cent, and fodder-making by 50.8 per cent. Modern agricultural techniques and fertilisers are widely applied.

The situation in China drew out the period between the socialist reorganisation of agriculture and the creation of an adequate material and technical basis in the countryside. Things were made worse by the so-called cultural revolution which impeded the manufacture of farm machines and severed economic ties with the other socialist countries supplying China with tractors and farm machinery.

The simple pooling of peasant implements immediately gives great economic advantages whereas further growth of labour productivity and yields depends on new machinery and agrotechnics. This is why prolonged intervals between the organisation of production co-operatives and the technical modernisation of agriculture freeze the advantages of large-scale socialist enterprises and lead to stagnation in agricultural production.

§ 6. CLASS STRUGGLE IN THE COUNTRYSIDE DURING PRODUCTION CO-OPERATION

The socialist reorganisation of agriculture represents the simultaneous formation of new, socialist relations and elimination of capitalist elements in the countryside. One cannot ensure the victory of socialism in the countryside without eliminating the kulak (capitalist) farms, for hired labour and the exploitation of man by man remain as long as they exist. Kulaks can be destroyed as a class only on the basis of mass collectivisation because the latter eliminates small commodity production as the basis for the regeneration of capitalist elements. Socialist production relations in the countryside, therefore, are consolidated in the course of sharp class struggle.

The elimination of kulaks as a class signifies the elimination of their economic basis, i.e., conditions for the purchase and sale of labour as a commodity in agriculture, the main condition which leads commodity production to capitalism. This is precisely why the expropriation of the means of production from capitalist elements in the countryside, depriving them of the possibility to use hired labour, is pivotal for the elimination of the kulak in all countries undertaking the socialist reorganisation of agriculture. In order to destroy the economic basis for new capitalist farms in the countryside and erase the contradiction between the socialist tendency of the proletariat and the commodity-capitalist tendency of the peasantry it is necessary to change the working peasants' attitude to the means of production and to alter the form of the unification of their labour power with the means of labour. When the working peasants engage in socialist farming on the basis of public, co-operative and kolkhoz form of ownership, the conditions for the appearance and development of capitalist elements in agriculture no longer exist.

Naturally, the kulak, representing a decaying class of exploiters, offers resistance and obstructs the socialist reorganisation of agriculture. Therefore the focus of the class struggle in the countryside during the transitional period from capitalism to socialism is aimed against the kulak.

In spite of the features differentiating the class struggle in the various socialist countries, there is one common feature characterising the class struggle during the period of transition to socialism. This is, firstly, the impossibility of the peaceful growing of capitalist elements into the socialist society; and, secondly, the necessity for the elimination of kulaks as a class.

In its struggle against the capitalist elements in the countryside the working class enlists the middle peasant. Relying on the support of the poor peasant and in alliance with middle peasant it attacks the kulak and effects the socialist reorganisation of the countryside. The struggle against the kulak and the policy of eliminating him as a class can be conducted in various ways, depending on concrete conditions in the given country.

The question of the attitude of the victorious proletariat to large enterprises exploiting hired labour has been raised by Marx and Engels. In *The Peasant Question in France and Germany*, Engels wrote: "Most likely we shall be able to abstain here as well from resorting to forcible expropriation, and as for the rest to count on future economic developments making also these harder pates amenable to reason." Engels insisted that it would be unnecessary to expropriate the kulaks if they would "realise the inevitability of the doom of their present mode of production and draw the necessary conclusions."¹ Thus, the question of the elimination of kulaks is related to their attitude towards the new mode of production, towards the proletarian state. This thesis advanced by Engels was fully confirmed during the class struggle in the countryside in the socialist countries in the transition from capitalism to socialism.

In the Soviet Union, the kulaks waged overt and covert struggle against Soviet power from the moment the dictatorship of the proletariat was established. During the Civil War and foreign intervention they formed one of the main forces of internal counter-revolution. They offered manpower for whiteguards and staged revolts against the Soviet government. This is why the class struggle against the kulaks was so acute.

¹ K. Marx and F. Engels, *Selected Works*, Vol. 3, p. 474.

Commenting on Engels's statements on the possibility of eliminating the class of kulaks without forceful expropriation, Lenin said: "In Russia, this assumption did not prove correct; we were, are, and will be, in a state of open civil war with the kulaks."¹

The first heavy blow to the kulaks was delivered by the Committees of the Poor in June through December 1918. These Committees recruited middle peasants for a vigorous fight against kulak sabotage of Soviet government measures. They helped organise the food supply of the army and urban population. The economic position of the kulaks was weakened, they were deprived of 50 million hectares of land, surplus grain and some implements. The committees undermined kulak political influence and exposed them as enemies of the poor and middle peasants. The Committees of the Poor played a major role in rallying the peasantry at large in support of the Soviet government. Thus in 1919 they made it possible to discard the policy of neutralising middle peasants and to form a durable alliance with them instead. However, expropriation of the kulak by the Committees of the Poor did not eliminate them as a class. They survived and even replenished their ranks from small peasant households, especially during NEP. The countryside continued to be an arena of severe class struggle.

The outstanding task was to expropriate the kulaks, eliminating them as a class hostile to socialism. However, at that time the Soviet state was unable immediately to undertake the expropriation of kulaks. The social and economic conditions were not yet ripe for kulaks continued to be the main producers of marketable grain.

Moreover, the prerequisites for mass collectivisation had not been established, while the kulaks could only be destroyed on the basis of mass production co-operation among the peasant households. Beginning with 1919 and right until mass collectivisation, the Communist Party and the Soviet state followed a policy of restricting and ousting capitalist elements in the countryside. This policy was adopted by the Party's Eighth Congress. The exploitative tendencies of

¹ V. I. Lenin, *Collected Works*, Vol. 29, p. 159.

kulaks were restricted by political and economic measures. The Soviet state restricted the right to rent land and hire manpower, it imposed heavy taxes on kulaks, fixed prices for grain and deprived the kulaks of suffrage rights.

But while small commodity production prevailed, kulaks remained numerous. Some kulak households disappeared, but new ones appeared in their stead. On the eve of mass collectivisation there were 1,100,000 kulak farms—nearly 5 per cent of the total number of peasant households.

The class struggle in the countryside became particularly violent after the Party's 15th Congress (1927) which adopted a policy of collectivisation and noted the need to spur on the restriction and ousting of capitalist elements. The kulaks resisted fiercely and obstructed grain procurements. In 1927, for instance, the harvest was no worse and the reserves of grain stockpiled from previous harvests were larger than in 1926. But in October 1927 grain procurements began to decrease, and by January 1928 there was a deficit of 130 million poods of grain. The supply to towns and the Red Army was endangered, the further industrialisation of the country threatened.

These difficulties had to be overcome by a series of extraordinary measures so as to obtain surplus grain from the countryside. The country had enough grain, but by 1928 the kulaks had saved up quite large sums of money from the sale of grain in the market, and now they decided to hoard it up, for they clearly realised that grain meant currency and a means of enslaving the poor.

Taking advantage of the difficulties with grain, the kulaks tried to suffocate Soviet power; however, they were no longer the main suppliers. In 1926/27 they produced only 20 per cent of the marketable grain, while 74 per cent was produced by poor and middle peasants. The kulaks, therefore, tried to win over the middle peasants in their struggle against Soviet power. Thus, relying on the remnants of their authority in the village, they wanted to deprive the Soviet government of grain. Under NEP this was a serious move against Soviet power.

To bring about a fundamental improvement in grain procurements, it was necessary to deliver a devastating blow

to the kulaks and frustrate their attempts at sabotage. The Communist Party and the Soviet state took a series of economic and administrative steps to check this sabotage. In January 1928 the government passed a law on self-taxation, under which the peasants fixed at their meetings the taxes on households, proceeding from class principles. The poor were exempted from taxes, while the bulk had to be shouldered by the kulaks.

Article 107 of the Criminal Code, under which all surplus grain was to be confiscated, was applied to all kulaks who refused to sell grain to the state at fixed prices. The grain was confiscated from kulaks with the help of poor peasants who received 25 per cent of the confiscated grain.

A new law on a single agricultural tax, which was proclaimed in the spring of 1928, was also directed against the kulaks. It was overtly class in character, relieving poor and some of the weaker middle peasants from taxes so as to help them along, but the kulak households were taxed individually. To begin with, the incomes of each kulak household were ascertained, and a tax fixed accordingly. As a result, in 1928/29 middle peasants paid 38 per cent of the taxes levied, while kulak and prosperous households paid 60 per cent (cf. 50 and 49 per cent, respectively, in 1927/28).

The steps taken in 1928 to enforce the correct application of the law on hiring manpower were also very important in restricting the exploitative tendencies of kulaks. Their economic positions were weakened by the reorganisation of land tenure under which kulak plots were reduced and fertile lands given over to poor peasants or collective farms.

In its offensive against the kulaks, the Soviet state relied on the support of poor peasants and reinforced its alliance with the middle peasants. The poor and middle peasants were convinced in practice that they could rout their deadliest enemies—the kulaks—only with the help and under the guidance of the Soviet state.

An important role in this struggle belonged to the provision of machines to poor and middle peasants so as to help them switch over to collective farming. The Soviet state strictly abided by the class principle in supplying tractors and other machines to the countryside. Priority

was given to collective farms and poor and middle peasants.

The Soviet state organised a broad network of hire and grain-cleaning points so as to deliver poor and middle peasants from the kulak yoke, to raise harvests and expand sown area.

This decisive and resolute struggle against the kulaks in 1928 and 1929, connected with grain difficulties, was an important prerequisite for the subsequent drive to eliminate, through complete collectivisation, the kulaks as a class.

This struggle vividly demonstrated that the stronger Soviet power grew and the quicker socialism took root and the weaker became the positions of capitalism in the countryside, the fiercer became the kulak opposition. The practice of class struggle proved that in the Soviet Union it was impossible to eliminate kulaks as a class by peaceful means. Therefore, relying on the poor peasants, the dictatorship of the proletariat was compelled forcefully to expropriate the kulaks, thus destroying them as a class. This was done in the period of mass collectivisation which gave rise to a new wave of resistance from the kulaks. In an attempt to frustrate collectivisation, they not only agitated against collective farms, but even resorted to extreme acts, including terror and arson. They destroyed buildings, wrecked tractors and machines in MTSs and collective farms, slaughtered cattle and ruined crop harvests. According to rough estimates, in 1928 they committed 1,027 terrorist acts, including 140 murders. In 1929 kulaks staged armed revolts against Soviet power in a number of districts and republics.

The counter-revolutionary nature of kulaks became most conspicuous in the years of mass collectivisation. They took an irreconcilably hostile position and openly attacked Soviet power and the collective-farm system. So the Soviet government was compelled to take corresponding steps.

What economic and political sanctions were applied when the policy of eliminating kulaks was being enforced? All their means of production were expropriated. Those who did not fight against Soviet power were allocated land and the essential means of production in places far from their

former habitations. Punitive measures stipulated by the law were applied against counter-revolutionary kulaks. Those who opposed collectivisation most actively were expelled to the country's northern regions.

Explaining the reason for the sharp class struggle, Lenin said in his report to the Party's Eighth Congress: "Dear capitalist gentlemen, you have only yourselves to blame. If you had not offered such savage, senseless, insolent, and desperate resistance, if you had not joined in an alliance with the world bourgeoisie, the revolution would have assumed more peaceful forms."¹

Like the Soviet Union, the other socialist countries eliminated the kulaks as a class on the basis of mass production co-operation. However, the socialist transformation of agriculture in the People's Democracies proceeded in different historical conditions, so the forms and methods of class struggle there differed accordingly.

The socialist revolution in the People's Democracies triumphed when there already existed the mighty bulwark of victorious socialism—the Soviet Union which had accumulated much experience in the class struggle both in town and country. On the other hand, the exploiter classes, particularly the kulaks, in those countries drew the correct conclusions from the unfortunate lessons learned by their counterparts in the USSR who were forcefully expropriated because of their resistance and disloyalty to Soviet power and its socialist reforms.

Any foreign intervention in the People's Democracies was ruled out by the existence of the Soviet Union and the mighty economic and military potential of the socialist camp. The rural and urban bourgeoisie could not hope for military assistance from abroad. This explains why kulaks in those countries did not oppose government measures and the socialist transformation of agriculture so violently. But, of course, coercion was applied to those who committed crimes against the people and the state. On the whole, the kulak resistance was broken because the dictatorship of the proletariat relied on the support of the progressive,

¹ V. I. Lenin, *Collected Works*, Vol. 29, pp. 211-12.

poorest sections of the peasantry and because politically the kulaks were isolated from the peasant masses. All that consolidated the alliance of the working class and the peasantry and helped to eliminate the kulaks as a class on the basis of mass production co-operation. Capitalist households were restricted in their development by progressive taxes. The socialist states also restricted the purchase and sale of land, the employment of hired labour and partially or fully prohibited land leasing.

Bulgaria and Czechoslovakia compelled the kulaks to sell their farm machinery. In 1948 these countries adopted laws under which a portion of the means of production were bought out from capitalists and turned over to the state or production co-operatives. Bulgaria, moreover, nationalised inns, grocery stores, creameries, oil mills, wool-carding mills and other private enterprises in the villages. The development of all types of peasant co-operatives proved of particular importance in weakening the economic position of capitalist elements in the countryside.

Besides restricting kulak exploitation so as to reduce the number of kulak households, the People's Democracies permitted some of the loyal kulaks to join agricultural production co-operatives provided they had previously been honestly fulfilling their obligations before the state. Addressing the Plenary Meeting of the CC BCP in July 1956, Todor Zhivkov said: "Now that our agriculture is in the main put on a co-operative basis, and that most of the collective farms are strong and healthy, we can accept former kulaks into agricultural co-operatives, barring them, though, from executive posts. We believe that the socialist production relations and collective work on co-operative farms will change and re-educate a considerable number of former kulaks."

At the outset of production co-operation in Czechoslovakia as well kulaks were not allowed to join the agricultural co-operatives. Later, when the co-operatives grew stronger and the policy of restricting and ousting the kulaks proved successful, the decision was reversed in respect to those kulaks who were loyal to the people's democratic government. The Model Rules of the UAC said: "A kulak who is likely

to work honestly and efficiently can in exceptional cases become a member of an agricultural co-operative if the Council of the District National Committee gives its permission."

In the GDR, the Third Conference of Chairmen and Activists of Production co-operatives decided, on the suggestion of the Socialist Unity Party of Germany, to give membership in production co-operatives to some *grossbauers*. The peculiar conjuncture of circumstances in the GDR called for an alliance of all the people in the struggle against West German imperialism and militarism; this is why it was necessary to draw the petty and middle bourgeoisie into the work of building socialism. A *grossbauer* who joined the co-operative handed over part of his land without any compensation; for the rest he was paid on a par with the other members.

In Rumania, some kulaks were also allowed to join the co-operatives after the policy of restriction and ousting had been enacted. In March 1959, the Great National Assembly passed a decree on the abolition of all forms of exploitation in the countryside. Employment of hired labour and land leasing were prohibited. All land which the proprietor could not cultivate by his own means was transferred to socialist farms. Former kulaks were allowed to join agricultural co-operatives.

The decisive condition for the peaceful elimination of kulaks as a class is the maintenance of strict control by toiling peasants over those kulaks who are accepted into the co-operatives.

The class struggle in the countryside is accompanied by a violent ideological struggle by Marxist-Leninist parties against all "Left" and Right deviators and attempts to revise Marxism-Leninism. The experience of the Soviet Union proved that the Party's struggle against followers of Bukharin and Trotsky was of tremendous importance for the successful offensive against the kulaks and for mass collectivisation of the peasantry.

Trotsky's theory of the impossibility of introducing the peasant masses to socialism was dealt a destructive blow at the 15th Congress of the CPSU (B). During the grain pro-

curement campaign* in 1928 and 1929, which the kulaks attempted to sabotage, the Party was attacked by all sorts of capitulators who, defending the kulaks, tried to prove that during the transition from capitalism to socialism the class struggle wanes and therefore the kulaks can spontaneously grow into socialism. The Party exposed the capitulatory and kulak character of this so-called theory. The Party's 16th Conference condemned Bukharin's opposition as the outright advocacy of kulaks and renouncing of the leading role of the working class in the development of agricultural production. The Party dealt devastating blows to the theories, advanced by Right deviators, of "balanced" economic sectors, "unorganised" socialist construction, and the "stability" of the small peasant economy.

However, similar theories were advanced much later by the revisionists of Marxism-Leninism in some of the People's Democracies. This was due to the aggravation of class struggle in the world arena and the violent opposition staged by domestic counter-revolution to the progress of socialism in the People's Democracies. It was most vividly manifested in 1956 during the counter-revolutionary outbursts in Hungary and Poland. In these circumstances, the wavering and theoretical ignorance of certain functionaries were manifested in the advocacy of the "free market economy", and an overestimation of individual farms which, it was claimed, were developing in conformity with the law of extended reproduction and which could satisfy the needs of socialist society. All this retarded the socialist reorganisation of agriculture and even led to the disbandment of many production co-operatives in several countries, and also provided fertile ground for the spread of revisionist views on the problems of socialist transformations in agriculture.

The revisionists renounced the general laws of socialist construction in the countryside, and completely ignored the experience of building socialism in the Soviet Union and the other socialist countries which proves that even the simple pooling of peasant implements of labour in collective farms produces a tremendous economic effect and that the process of production co-operation can for a certain time proceed faster than the process of equipping agriculture with

modern machinery. In an attempt to discredit production co-operation in the socialist countries, revisionists regard the operation of the law of the conformity of production relations to the character of productive forces from the "sectoral", so to speak, point of view, i.e., they apply this law to agriculture alone. Actually, agriculture is never isolated from industry; on the contrary, the two are interdependent. Therefore, the operation of the law should be studied in terms of the national economy as a whole.

The revisionists brush aside Lenin's thesis that it is necessary to effect a transition from lower, supply-and-marketing types to higher, production types of co-operatives. Instead they promote the development of individual peasant farms. But the practice of socialist construction in the USSR and the other countries proves that the development of agricultural production cannot be separated from the socialist reorganisation of agriculture. Reliance on individual peasant farms cannot ensure the progress of agricultural production nor can it free toiling peasants from kulak exploitation.

This rebirth of old opportunist and revisionist "theories", dyed in new colours, and various other attempts to revise Marxism show that the greater the success of socialism, the more its enemies intensify the ideological forms of class struggle.

Communist and Workers' parties fittingly rebuff all opportunists and revisionists of Marxism-Leninism. The guarantee of the further triumph of the socialist reorganisation of agriculture lies in the crushing ideological defeat of modern revisionism and its unanimous condemnation by all fraternal Communist and Workers' parties.

CHAPTER III

SOCIALISATION OF PEASANT MEANS OF PRODUCTION AND THE ESTABLISHMENT OF SOCIALIST PRODUCTION RELATIONS

§ 1. EMERGENCE OF CO-OPERATIVE-KOLKHOZ (COLLECTIVE) OWNERSHIP OF THE MEANS OF PRODUCTION

The socialist reorganisation of agriculture through mass production co-operation is a revolutionary change, a qualitative leap from the old to the new state, from the small, dispersed and inefficient farming to large-scale socialist production in the countryside. The organisation of the peasantry into production co-operatives resulted in the birth of co-operative-kolkhoz production as a form of large-scale socialist economy. We have noted that co-operative-kolkhoz production does not imply a mere collectivisation of peasant households. An important prerequisite for the full development of socialist production relations in collective farms is the creation of a material and technical basis in agriculture conforming to socialism. This question was examined in the previous chapter, so we shall now turn our attention to certain questions pertaining to the formation of new socialist production relations in the countryside. Such relations were formed not only because of the replacement of small private property by co-operative-kolkhoz form of socialist ownership of the means of production.

Before attempting to characterise the process of the emergence of co-operative-kolkhoz ownership, we must say a few words about the concept of property in general, not only because the problem of the ownership of the means of production is of great methodological importance for understanding all categories of political economy, but also because the attitude towards the problem of property governs the treatment of the historical aspect and theoretical analysis of

the emergence of co-operative-kolkhoz ownership of the means of production.

In recent years economists have advanced various definitions of the concept of property and the place it occupies in the system of production relations. Some assert that property cannot be regarded as an economic category since it is, they believe, merely a legal term, specifying production relations. The proponents of this viewpoint refuse to grant independence to such concepts as "property" and the "ownership of the means of production" as economic categories.

Some economists, while recognising property as an economic category, fully identify the form of property with production relations as a whole. They, too, refuse to single out property, as a definite economic relation, from the whole system of production relations.

The proponents of these two viewpoints discard the widely current formula in socio-economic literature: "Ownership of the means of production is the foundation of production relations."

The author of this book holds the opposite view, regarding property as an objective really existing relation between people over the appropriation by them of material benefits, means of production above all. Marx pointed out that "where no form of property exists there can be no production and hence no society either"¹. This is what he wrote of the meaning of property as an economic category: "... definite relation to conditions of production (forms of property) served as an *a priori* limit to the productive forces..."². This relation expresses not merely a component of production relations, it is a pivotal point of all economic relations. One cannot imagine the appropriation of material benefits without the unity of production, exchange, distribution and consumption. The entirety of socio-economic relations in these spheres taken in their unity is determined by the form of ownership of primarily the means of production, i.e., the relations between people as regards the means of production. Marx

wrote that all production is the appropriation by the individual of nature's objects within the framework of a definite form of society and by means of it. In this sense it would be a tautology to say that property (appropriation) is a condition for production. By the social form of production Marxists have always meant the historically specific relations between people in the production, exchange, distribution and consumption of material benefits. Such relations are always connected with the appropriation of things—the means of production and items of consumption.

The relations between classes form the content of the social form of production in class societies. Property, primarily the form of ownership of the means of production, is the foundation, the content of the social form of production of material benefits, because it is the relation of classes to the means of production and their relations over the means of production and items of consumption that determine the class affiliation of people and relations between classes. One cannot understand any element, any aspect or any component of production relations without first examining property forms. In a letter to Annenkov, Marx wrote: "... the last category in M. Proudhon's system is constituted by *property*. In the real world, on the other hand, the division of labour and all M. Proudhon's other categories are social relations forming in their entirety what is today known as property; outside these relations bourgeois property is nothing but a metaphysical or juristic illusion"¹.

In this light, the formula: "ownership of the means of production is the foundation of production relations", acquires a somewhat different meaning. Perhaps, the formula is not very successful, because if we examine it without clarification, then, of course, it makes a distinction between property and production relations; moreover, it can be said that the formula removes the ownership of the means of production from the entirety of production relations. So those economists who refuse to surrender this category to juridical science are perfectly right; they are justified in

¹ K. Marx, *A Contribution to the Critique of Political Economy*, Moscow, 1970, p. 193.

² *Kommunist*, No. 7, 1958, p. 21.

¹ K. Marx and F. Engels, *Selected Correspondence*, Moscow, 1959, p. 44.

regarding the ownership of the means of production, i.e., the relations between people over the means of production, as one of the principal aspects of production relations playing a determining part in the entirety of production relations. In the final count, the ownership of the means of production as an economic relation precedes, historically and logically, all the other aspects of production relations. In conformity with the socialisation of the process of production and labour there first appears one or another historically specific form of ownership of the means of production determining the entire nature of the interconnections and the substance of all aspects of production relations.

A distinction must be made between property as an economic category and the right of property, which reflect different aspects of life in society. The interconnection between economics and law is manifested primarily in the fact that the latter always reflects only what exists in the society's economic life. All attempts to explain socio-economic relations by legal ones, or the derivation of economic from juridical relations can only distort the understanding of true production relations. This was pointed out by Marx in his criticism of Proudhon. He stressed that bourgeois property relations (from the juridical viewpoint) can be understood only from the entirety of social relations.

The question as to what bourgeois property is "could only have been answered by a critical analysis of '*political economy*', embracing these *property relations* as a whole, not in their *legal expression* as *relations of volition* but in their real form, that is, as *relations of production*'".¹

One of the features marking the formation of socialist production relations in agriculture in those socialist countries which divided the land among the peasants as private property is the establishment (parallel with the state ownership of land) of co-operative-kolkhoz ownership. During the establishment of production co-operatives, the land of peasants who joined the co-operatives was given over for collective use by the co-operatives.

Production co-operation leads to the socialisation of peasant land; new social relations arise in a given co-

¹ K. Marx and F. Engels, *Selected Correspondence*, p. 187.

operative between its members *vis à vis* this land. These collective relations increasingly mature as income distribution according to land shares is abandoned and as co-operatives grow in size, thus increasing the degree of land socialisation.

It must be noted that in this case economic relations *vis à vis* land as the basic means of production in agriculture outgrow the framework of legal relations, they outstrip them. Although the peasants retain the right of private ownership of land, actually there emerges co-operative ownership of land. This once again illustrates the need to distinguish between ownership of the means of production as an economic relation, and property as a legal category.

The socialist character of co-operative-kolkhoz ownership of land is most vividly illustrated in co-operatives in which land (as, for instance, in many co-operatives in Hungary) was purchased from co-operative members or other people and became public property both economically and legally. But in the case when land is actually socialised and incomes are distributed according to labour performance the right of private ownership in land is merely formal; it cannot change the essence of socialist relations in co-operatives.

Co-operative-kolkhoz ownership of the means of production in the Soviet Union and the other socialist countries appeared as a result of the socialisation of peasant means of production and labour within certain collective farms and production co-operatives. Each farm socialises all the principal means of production, turning them into the public property of the collective of peasants who have joined the collective farm. All collective farmers stand on an equal footing as regards the socialised means of production; no one owns them personally, and consequently no one can use them to exploit the labour of other collective farmers. Collective farmers do not confront one another as private owners of the means of production. On the contrary, they enter into new relations of co-operation and mutual assistance as co-owners of the means of production; they are united by new relations to the new social means of production.

The analysis of the emergence of co-operative-kolkhoz property in the USSR is of great significance for actual soci-

alist construction in the countryside. The socialist countries and the countries which have taken the non-capitalist road of development are using the Soviet Union's example in organising socialist farming, its concrete forms and experience accumulated in the course of the extensive work of creating new property relations in the countryside.

The emergence of co-operative-kolkhoz ownership of the means of production signified the birth and development of a powerful socialised collective-farm sector in the national economy incorporating the bulk of peasant implements and means of production. This process began immediately after the Great October Revolution. In the period preceding mass collectivisation (1928) the new property relations embraced 1.7 per cent of the peasantry. But, as we have noted, all collective farms at that time stood at a low level of development, i.e., their labour was founded on pre-modern techniques. The horse was the principal traction force, and the farm implements supplied by industry were designed to be drawn by horses. Such primitivity of the productive forces predetermined the comparatively small sizes of collective farms and a low degree of socialisation of the process of labour there.

Collective Farms, Late 1920-Early 1921

| Membership | Communes (per cent) | Artels (per cent) | Associations (per cent) |
|----------------------|------------------------|----------------------|----------------------------|
| Up to 25 people | 16.5 | 16.5 | 13.4 |
| 26-50 people | 38.0 | 47.1 | 42.9 |
| 51-100 people | 31.2 | 28.5 | 30.0 |
| 101-200 people | 9.2 | 6.6 | 11.4 |
| 201-400 people | 5.0 | 1.1 | 1.4 |
| More than 400 people | 0.1 | 0.2 | 0.9 |

The table shows that most farms were small, though some had a membership of more than 100 people.

The average size varied from guberniya to guberniya and even from uyezd to uyezd in the same guberniya. The

following table illustrates the point from the example of three uyezds in Tomsk Guberniya (as of November 1, 1920):

| Uyezds | Average number of family members | |
|-----------------------|----------------------------------|-----------|
| | Per commune | Per artel |
| Novo-Nikolaevka . . . | 104 | 151 |
| Shechegolovo . . . | 62 | 60 |
| Tomsk . . . | 31 | 20 |

Thus, we see that the average size of collective farms in Tomsk Guberniya varied. In the uyezds themselves differences were even more striking. For example, the Bersk Pakhar agricultural artel had 5 families (23 people in all, including 11 adults), while the Krasny Oktyabr commune in the same Novo-Nikolayevka uyezd had 300 people and 5,000 desyatins of land. In 1920 there were many other dwarf collective farms in the same uyezd: the Pashino agricultural production artel of 15 people, the Proletarskaya Koloniya agricultural labour artel of 23 people (including 12 children younger than 15), etc. Prior to mass collectivisation, the situation hardly underwent any change. In 1918-1921, for instance, an average collective farm had 12 or 13 families, while in 1928 it had 13.4 families. This indicates that the degree of socialisation of the means of production in the first collective farms was low.

In the European socialist countries, however, the production co-operatives were somewhat larger at the beginning of the co-operative movement. This was because agriculture in these countries was better equipped technically. Yet, the co-operatives were relatively small in scale there. During the mass co-operative movement the co-operatives grew in size. This can be seen from the following data pertaining to Hungary:

| | Per co-operative | | |
|----------------------------|--------------------|-------------------------|------------|
| | Land (hectares) | Number of households | Membership |
| 1958 (as of December 31) | 543 | 42 | 51 |
| 1959 (as of March 31) . . | 874 | 105 | 121 |
| 1960 (as of June 30) . . . | 1,491 | 180 | 204 |

Bulgaria passed through a similar process.

Average Size of Collective Farms:

| Year | Number of households | Arable land (hectares) |
|-------------|-------------------------|---------------------------|
| 1948 | 112 | 266 |
| 1950 | 200 | 862 |
| 1954 | 210 | 935 |
| 1956 | 294 | 1,117 |
| 1957 | 313 | 1,177 |
| 1958 | 374 | 1,153 |
| 1959 (July) | 1,328 | 4,094 |

The collective farms in Bulgaria were growing in size from year to year, but it was only after their amalgamation that the scale of the socialisation of collective means of production and collective labour began to correspond to the newly created material and technical basis of agriculture. The size of collective farms and production co-operatives serves as an indicator of the level of socialisation of peasant means of production. It shows how many peasants become collective owners of the social means of production and the scale of socialisation of labour itself. However, this indicator does not reflect the actual degree of the socialisation of the means of production in the co-operatives themselves. The actual state of affairs can be revealed only after an analysis of the socialisation of the principal peasant means of production. Such a process is the economic result of the estab-

lishment of production co-operatives, an expression of the new relation of peasants to the means of production. Before mass collectivisation in the Soviet Union, when the agricultural association was the principal type of collective farm, the degree of socialisation of sown area was low, for most of the land remained in the private use of collective farmers and collective cattle-breeding was virtually non-existent. In the years of mass collectivisation, 95.4 per cent of the sown area was socialised, i.e., the process was almost completed. In 1930-1932 nearly all draught animals were socialised. This meant that basic farm implements were also socialised. These changes are directly connected with and stem from the introduction of the artel type of collective farm.

Percentage of the Socialisation of Sown Area, Draught Animals and Cows in the Collective Farms in the USSR (in the Spring of the Corresponding Year)

| Year | Sown area | Draught animals | Cows |
|------|-----------|-----------------|------|
| 1928 | 54.3 | 27.1 | 16.9 |
| 1929 | 82.2 | 44.4 | 24.0 |
| 1930 | 89.8 | 95.1 | 33.9 |
| 1931 | 95.4 | 97.2 | 26.6 |
| 1932 | — | 96.1 | 32.7 |

In the beginning of 1929 the predominant type of collective farm was the association for the joint cultivation of land which above all socialised land tenure and labour in crop-growing. The transition by most collective farms to the agricultural artel sharply increased the level of socialisation of the principal means of production, draught animals above all.

Already in 1928 the level of socialisation of the principal means of production in artels was quite high: 81.5 per cent of all horses, 98.7 per cent of farm implements, and 67.2 per

cent of farm buildings. This level was further raised during mass collectivisation. The question of socialising cattle-breeding was posed very broadly for the first time. The Rules of the Agricultural Artel, which were approved on March 3, 1930, show that the Soviet state had a different approach to the socialisation of cattle-breeding than to the socialisation of land. The Communist Party and the Soviet state took into consideration the fact that cattle is very important for peasant households, so families with one cow were untouched, while families with more than one cow were allowed to retain only one for private use. Pigs and sheep were socialised only in areas with developed industrial cattle-breeding (for definite types of small cattle); members of artels were allowed to retain a fixed number of them for personal use.

In the years of mass collectivisation public cattle-breeding was organised in agricultural artels without any infringement on the interests of collective farmers. By the end of 1932, collective farms had 5.5 million head of cattle, 2.6 million head of pigs, and 5.6 million head of sheep and goats. In 1934 the proportion of socialised cattle in the collective farms made up 36.4 per cent of all cattle, 43.8 per cent of all sheep and goats, and 40.6 per cent of all pigs.

Thus, in the period from 1930 to 1934 the socialisation of land in the agricultural artels paralleled the organisation of large-scale socialist animal husbandry through partial socialisation of peasant cattle and the extended reproduction of cattle in the socialised sector. The other socialist countries drew much from the experience of collectivisation and cattle socialisation in the USSR. This was due to the nature of small-scale farming in which the number of cattle and poultry largely depended on the requirements of personal consumption. This is precisely why precedence was given to the socialisation of sown area, farm implements and draught animals so as to pave the way for socialised agriculture. Socialised cattle-breeding developed more slowly because a large portion of the cattle remained in private possession during the years of production co-operation. As animal farms were organised, socialised cattle-breeding began to grow at a rapid pace on the basis of the extended reproduction

of herds. The role of socialised animal husbandry in the economy of production co-operatives greatly increased.

The Growing Share of Bulgarian Agricultural Associations in the Agricultural Output During the Years of the Mass Organisation of Production Co-operatives

| | 1955 | 1957 | 1958 | 1959 |
|------------------------|------|------|------|------|
| Crop-growing | 50.4 | 72.8 | 79.5 | 81.8 |
| Animal husbandry . . . | 28.4 | 34.9 | 38.3 | 50.8 |

At first, the Bulgarian agricultural associations had a small number of cattle, and inadequate premises, which is why the animals which the peasants handed over to the co-operatives were maintained in worse conditions than those which remained in private possession. It took much effort to create the required fodder reserves, build the sheds and mechanise the work. As a result, cattle-breeding in the agricultural associations made adequate progress.

During the rapid development and completion of production co-operatives in 1955-1957, the Bulgarian agricultural associations accounted for a greater share in the country's crop-growing than in cattle-breeding. Subsequently the situation balanced itself.

In Czechoslovakia, when type-3 and type-4 agricultural associations appeared, they had practically no cattle. But at the end of 1950, particularly after the Plenary Meeting of the Central Committee of the Czechoslovak Communist Party in February 1951, the state helped the co-operatives build cattle yards; the overwhelming majority of higher-type co-operatives took up cattle-breeding. Between 1950 and 1957 the co-operatives built sheds for 1,101,900 cows and 260,100 calves, sties for 1,498,100 pigs, sheep-folds for 447,400 sheep, and many poultry farms. Animal husbandry in type-1 and type-2 co-operatives remained private.

Thus, the first stage of co-operation during the transition from elementary to advanced forms of production co-opera-

tives in the USSR, and then in other socialist countries, was marked by the gradual socialisation of the basic means of production and labour. Priority was given to the socialisation of land, some implements of labour, and draught animals. The transition to the higher forms was marked by the partial socialisation of livestock and the appearance of collective cattle-breeding. As a result, there was also an increase in the degree of socialisation of the labour of co-operative members engaged in cattle-breeding.

The socialisation of cattle was subsequently stepped up considerably. According to the Institute of the Economy of the World Socialist System of the USSR Academy of Sciences, Bulgaria socialised 78.1 per cent of cattle and 77.9 per cent of pigs; Czechoslovakia socialised 84 per cent of cattle and 76 per cent of pigs. After the completion of the mass organisation of production co-operatives in the other European socialist countries the percentage of socialised cattle also increased, but to a lesser degree: Hungary socialised 57.7 per cent of cattle and 41.4 per cent of pigs; Rumania socialised 52.9 per cent of cattle and 51 per cent of pigs.

The analysis of the socialisation of the peasant means of production throws light on the common aspects of this process. Firstly, the socialisation of peasant means of production as a rule begins in small production co-operatives of the elementary type. In the USSR it was only during the first years of Soviet power that attempts were made to organise simultaneously agricultural communes and artels. Later, however, preference was given to associations for the joint cultivation of land. The small size of production co-operatives, necessitated by the poor material and technical basis, showed a high degree of the socialisation of the means of production in co-operatives.¹ Secondly, the socialisation of peasant households and production usually begins with the socialisation of field cropping; only after that comes the time for developing collective cattle-breeding on the basis of the socialisation of some of the cattle belonging to the peasants. This indicates the gradual rise in the degree of socialisation of the peasant means of production and labour.

Thirdly, the emergence of co-operative-kolkhoz ownership of the means of production directly changes, in turn, the nature of peasant production and labour. In the collective farm or co-operative, a considerable portion of peasant labour becomes a part of the social labour of the given collective. The social nature of production in the co-operative increases.

One might assume that the socialisation of the means of production and labour is local in character, i.e., that it takes place only within the collective farm. In actual fact, this process is directly bound up with the socialisation of production and labour in the national economy as a whole.

The birth of co-operative-kolkhoz ownership of the means of production signifies the formation of the socialised sector of collective farms, production co-operatives. It is precisely the concrete forms and methods of the organisation of the socialised sector and its assets that express the relations between the members of a co-operative *vis à vis* the means of production and their relationship to the means of production as public property within the given collective. Moreover, the forms in which socialised, collective means of production develop also express the relations between collective farms as proprietors of the means of production, on the one hand, and the whole of the socialist society, on the other; they express the link between the co-operative-kolkhoz and the state form of socialist property.

The analysis of the economic content of the concrete forms of public economy is of great significance for understanding the nature of the co-operative-kolkhoz form of socialist property and its direct dependence on the socialisation of the process of agricultural production and labour on collective farms.

Some economists believe it wrong to underline the group character of co-operative-kolkhoz property. It is common practice to draw a dividing line between state property as the property of the whole people and co-operative-kolkhoz property as a group property. In many cases they even make no distinction between the concepts of group and collective property.

Leaving aside the criticism of this contrasting of the two forms of socialist property, let us recall what Lenin said on this point. In his teaching about the socialist nature of co-operatives under the dictatorship of the proletariat and the state ownership of the key means of production, he stressed the unity and the common nature of the principal aspects of state (the people's) and co-operative (*kolkhoz*) forms of property, their interconnection, and the leading role of the property of the whole people in this interconnection. The development of the productive forces and the related division of labour in socialist society bring about a higher degree of socialisation of the process of production, also expressed in the growing inclusion of production co-operatives in a developed system of the social division of labour.

This process forms the objective foundation for raising the degree of socialisation of the means of production in collective farms, changing the character of co-operative-*kolkhoz* property and bringing it closer together with the property of the whole people. In this connection one can speak of the development of collective property and the birth, within it, of the elements of the people's ownership of the means of production.

However, from the very inception of the co-operative-*kolkhoz* form of socialist ownership in the means of production and the development of socialist production relations in collective farms, the latter's production is included, by virtue of its planned organisation, in the integrated national economy and becomes, to a certain degree, a component of the social process of production. This also means that from the very beginning the socialisation of labour in production co-operatives (collective farms) is not restricted to the given collective. This process is directly connected with the appearance of the social assets in production co-operatives and with their economic substance.

The history of the appearance and formation of the public economy and of the social assets of collective farms as socialist enterprises is of great interest not only from the viewpoint of the accumulation of experience in building public economy, but also from the viewpoint of how the

socialist state searched for specific forms for the implementation of Lenin's co-operative plan. This quest of the CPSU was based on the analysis of how the peasants themselves were organising collective farms. The socialisation of the means of production and the development of collective farms (communes, artels, associations) in the USSR can be traced in the Rules of the first collective farms.

The Normal Rules of Agricultural Production Communes, approved on February 19, 1919, by the People's Commissariat of Agriculture, proceeded from the ultimate goal—the transformation of agriculture on communist principles—and also from the assumption that "the agricultural commune must set an example of the fraternal equality of all people in work and in the enjoyment of the results of their labour".¹ The Rules envisaged that all who joined the commune had to delegate to it their property rights in cash, means of production, cattle and other property "needed for communist farming". Paragraph 3 said: "Citizens joining communes must first of all settle all their property liabilities and debts, and then they must hand over to the commune their buildings, animals and implements, and cash".² In the event of the abolition of the commune or the departure of some of its members, the public means of production could not be returned to their former owners. Those who left the commune could take only items of personal use (clothes, underwear, shoes, small household items, etc.) allotted to them by the general meeting, while "the other property, viz., land, buildings, cattle, implements, reserves of seeds, harness, all household items and extra clothes are to be transferred, upon liquidation,... to the uyezd land department".³

Under the Rules, all income, over and above the resources needed for satisfying the requirements of the members and for repaying state loans granted and for covering national and local expenditure, was to be designated for improving and expanding the commune's economy. Consequently,

¹ *The Normal Rules of Agricultural Production Communes*, Moscow, 1919, p. 4 (in Russian).

² *Ibid.*, p. 7.

³ *Ibid.*, pp. 12-13.

the commune itself provided the source for the further development of its public economy.

We see, then, that the Rules of 1919 envisaged the full socialisation of all means of production of the households applying for membership. The socialised means of production constitute a single indivisible fund, since they were not to be returned to the former owners. Though at that time there was no such term as the "indivisible fund", yet it must be said that it was precisely during the appearance and development of the socialised economy in the first communes that the collective-farm indivisible funds came into being.

The Model Rules of the Commune of 1923 introduced significant amendments in the provisions concerning the indivisibility of social assets. After the approval of the annual report, the departees were paid for the property they had handed over to the commune, though deductions were made for the share of losses, if any, falling on the departing members. The Rules had a section called "The Commune's Assets", saying that they were to be made up of: a) property handed over by the members; b) government and other subsidies; c) loans from state or other organisations or private persons; d) annual deductions from the incomes derived from the sale of farm products, or other receipts. There were three categories of assets: basic, reserve and special. The Rules envisaged no indivisible funds, though reserve funds formed from the sale of products closely resembled such. The amount of these funds and deductions for them were determined by the general meeting; they served to cover losses. The Rules stipulated the return of property to departing members. Actually, however, the communes had indivisible assets—the property received from the state and the receipts from the sale of products; they were used to replenish basic and reserve assets. The deductions for the commune's funds were determined by the general meeting. Subsequently, the social funds were largely increased by way of internal accumulations.

It was all slightly different in agricultural artels. They did not strive for the full socialisation of all means of production. The Normal Rules of Labour Agricultural Artels, approved by the People's Commissariat of Agriculture

on May 19, 1919, said that one of the principal aims of artels was to raise the efficiency of agricultural work "by employing better methods of cultivation and farming in general".

In the artel, the peasants pool their efforts and means, organising a common farm for the joint production, processing and marketing of farm produce. The social funds in the artel are made up of obligatory and equal membership fees for all applicants. With the permission of the general meeting, fees could be paid either in cash or in property (animals and implements, etc.). Membership fees were supplemented by government and other loans and subsidies, credits from co-operative and state organisations and from private individuals, annual deductions from the sale of farm produce. As in communes, the assets were of three categories: working, reserve, and special. According to the Rules, the reserve assets were to be replenished by the deduction of at least 25 per cent from the net income. It is interesting to note that Paragraph 19 in the Rules mentions the reserve assets as indivisible. This was to a great extent in accordance with the actual situation. The reserve assets could only be used for covering losses. Loans from the reserve fund could be made only if they were to be repaid by the end of the economic year. The Rules provided that if a member left the artel or was expelled from it, his entrance fee had to be returned "with the exception of the portion transferred to the indivisible reserve fund and with deduction for the share of losses, if any, falling on the departing members".¹

Besides the general organisational principles for the artel's socialised economy, the Rules of 1919 also permitted "members of the artel to farm on their own, within the limits and the scope which the general meeting of members of the artel considers advisable and without detriment to the artel economy".² The Rules of 1919, envisaging individual farming, neither regulated its scope nor stressed its ancillary

¹ *The Normal Rules of Labour Agricultural Artels*, Moscow, 1919, p. 4 (in Russian).

² *Ibid.*, p. 7.

nature. Thus it happened that in many instances private farming in artels was quite impressive. One explanation for this was the retention by the members of many farm implements and draught animals. The Rules of 1919 said nothing about the methods of organising the social means of production, nor did they mention how and in what numbers draught animals should be socialised. The only stipulation for the full socialisation of draught animals was good care of the animals.

In September 1920 the RSFSR People's Commissariat of Agriculture approved the new Rules of the Agricultural Artel. The question of the socialisation of the peasant means of production was treated in an altogether different manner than in the Rules of 1919 resembling instead the provisions existing in the Rules of the Commune. Paragraph 7 read: "Artel applicants shall liquidate their private property and hand over all their animals and implements to the artel for joint farming."¹ Unlike the Rules of 1919, which retained the right of collective-farm members to recover their land from the artel (under certain conditions) upon leaving, the new Rules contained no such provisions. In this way the artel land tenure was strengthened.

The new Rules, like the Rules of 1919, indicated no concrete methods or forms for the organisation of social funds; they even had no section dealing with artel assets. But the provisions mentioned earlier strengthened the socialised economy of the collective farm. However, the provision concerning the socialisation of all means of production alienated some peasants from artels. This is why many artels refused to adopt the new Rules; remaining artels in fact, they adopted the Rules of the Association for Land Cultivation. In essence, the Rules of 1920, just as the Rules of the Commune, envisaged the socialisation of livestock. In this way the Rules advocated the abolition of all individual household plots of collective farmers. Consequently, the Rules could not contribute to the development of the artel form of collective farming.

¹ *The Normal Rules of Agricultural Production Artels*, Petrovsk, 1921, p. 3 (in Russian).

The Model Rules of the Labour Agricultural Artel of 1923 were a step forward because they did not require the socialisation of all peasant means of production. Paragraph 11 specified that the private farms and property of members could be socialised only with their consent. The socialised property of the artel was to be made up of entrance fees and shares.

Entrance fees and artel shares were obligatory and equal for all newcomers. The Rules stipulated that the general meeting of the artel could accept entrance contributions both in cash and property. The departing members recovered their shares, but not the entrance fees.

The artel's assets were divided into various types. The basic assets were formed from share contributions, annual deductions from the artel's incomes, long-term loans, subsidies, donations and other receipts. At the outset, the reserve assets were formed from entrance fees, and then they were to be increased by deductions from the artel's income and chance acquisitions. The Rules provided for an obligatory flow into the reserve fund of at least 20 per cent of the artel's net income until it equalled half the sum of share contributions. Subsequently, the general meeting was to fix the amount to be contributed to the reserve fund.

In addition, the general meeting could set up special funds (for land reclamation, purchasing of fertilisers, cultural and educational work, etc.).

Thus, the Rules of 1923 fixed a set of procedures for the emergence of a socialised economy differing from those established in the 1920 Rules. Here an attempt was made to bring into harmony the socialised economy with the individual plot of collective farmers. But the Rules did not determine the scale of individual farming nor did they solve the problem of the optimal pooling of peasant means of production. This is why individual farms continued to thrive in many artels.

The Artel Rules of 1923 determined the procedures for the formation of the reserve fund more definitively than had the Rules of 1919. At the outset the reserve fund was to be formed from entrance fees, unredeemable under any circumstances whatsoever. The Rules of 1919 provided

that deductions for the reserve fund were to be halted as soon as the reserve fund reached half the total volume of contributions. The Rules of 1923 lifted this restriction.

The general principles for the socialisation of the means of production in the associations for the joint cultivation of land were laid down in 1919 in the Instrument on Socialist Land Tenure which envisaged full or partial cultivation of the land belonging to the members.

The joint cultivation of land did not eliminate private farming, but it injected collectivist principles. A major role in this connection was played by the formation of the inventory fund which, if joint cultivation was interrupted, could not be redistributed among the members without special permission from the Uyezd Land Department. The social inventory fund, like the social cash fund, was placed under the control of the association's general meeting.

The Model Rules for the Agricultural Co-operative Association for Land Cultivation, issued in 1923 by the People's Commissariat of Agriculture, stipulated more than had earlier been done, the basic principles for the organisation of the socialised sector in associations. They retained, for the most part, the principles laid down in the Artel Rules of 1923. Entrance fees and shares were exacted from all members. Like the artels, associations formed the basic, reserve and special funds, and allowances for the reserve fund followed a similar pattern. This fund, formed from entrance fees, was indivisible.

Consequently, the first rules of collective farms did not contain clear-cut instructions concerning socialisation, and the organisation and development of a socialised sector, but devoted much attention to the socialised sector and gave general guidelines for the organisation of assets, which is a clear indication of the desire to encourage the growth of the indivisible part of the assets of collective farms.

The indivisibility of the entire socialised funds, as formulated in the Normal Rules of Commune of 1919, and the general provisions concerning reserve funds and their growth, as formulated in the commune, artel and association rules of 1923, prove that the issue of the indivisible funds arose as soon as the first kolkhozes came into being.

The collective-farm movement showed in practice how much the indivisible funds contributed to consolidating and developing the collective farms.

Summing up the experience gained in forming the social funds in collective farms, the Fourth Session of the All-Union Council of Collective Farms in 1926 formulated the basic principles for the formation of indivisible assets. Its resolution stated: "In order to intensify socialist accumulation and stabilise the assets formed by collective farms, it is necessary to set up indivisible funds in collective farms and to induce collective farms to take part in the formation of special funds for the development of collective agriculture."

Following the session, more attention was given to the formation and growth of indivisible funds; this task was regarded as the most important and decisive factor in the development of the socialised sector in collective farms.

In 1928 the All-Union Congress of Collective Farmers stressed the particular importance of indivisible funds for the development of collective farms' socialised sector of economy. The Congress indicated the three most important sources for forming and expanding the indivisible funds: 1) state property handed over to collective farms in perpetual use; 2) annual deductions from incomes derived by collective farms; 3) free grants and other revenues.

Clauses concerning indivisible funds were added to the Rules on the strength of the decision of the First All-Union Congress of Collective Farmers. For instance, Clause 23 in the Model Rules of the Association for Joint Cultivation of Land (1928) stipulated that a special indivisible fund was to be formed from annual income deductions to create socialised means and stabilise the funds set up in the associations. The Rules said that the indivisible assets were to incorporate state property (animals and implements, land-improvement facilities, industrial and ancillary enterprises, etc.) which the collective farms received as a long-term and interest-free subsidy.

But in spite of all these measures, the indivisible funds were set up slowly prior to complete collectivisation. In 1928, for instance, only 20 per cent of the collective farms had indivisible funds. The main drawback was that the

assets of the collective farmers themselves were insufficiently drawn into the socialised sector. State property was the main source of indivisible funds (67.4 per cent). The other sources were inner deductions (32.6 per cent, of which 12.7 per cent came from income and 7.7 per cent from membership fees). In every collective farm that had an indivisible fund the latter accounted for an average of 3,758 rubles, while the basic collectivised means of production in each of these collective farms accounted for 7,094 rubles. It means that the indivisible funds made up 53 per cent of the value of the basic collectivised means of production.

This high percentage of indivisible funds in the basic collectivised means of production is explained by the fact that prior to 1928 only a small number of collective farms had indivisible funds; it was the state and not the peasantry that served as the main source of their replenishment. This shows that the Soviet state offered substantial material aid to the first collective farms. This also indicates that caution was exhibited in socialising peasant means of production; peasants were gradually impressed with the need to reject individual farming and to socialise all their principal means of production.

During the period of preparations for complete collectivisation, 48 per cent of collective farms already had indivisible funds; this includes 56 per cent of artels and 39 per cent of associations. In 1929, these funds were formed mostly from state resources, the inventory of former landed estates, and free grants. State resources accounted for 56 per cent of the indivisible funds. Thus, peasant means played an insignificant part in the formation of the socialised funds and the accumulation of indivisible funds from income deductions was quite insufficient in collective farms.

Noting the need to augment the socialised funds, the November 1929 Plenary Meeting of the Party's Central Committee stressed that it was imperative to stimulate the growth of indivisible funds. The resolution on this point said: "It must be regarded as a rule to be strongly and resolutely maintained, that state assistance to collective farms is to be rendered only if the peasantry itself increases its investments in collective farms and, most important,

only if the collective farms fulfil the requirements for the accumulation of internal funds, as stipulated in the Rules and contracts."¹

The task set by the Party before the collective-farm movement was to mobilise hundreds and hundreds of millions of tools, implements, etc., for collective-farm socialised funds.

During the mass collectivisation, the socialised funds were formed mostly from the bulk of peasant means mobilised in the form of obligatory shares and contributions to the indivisible funds. Prior to the mass collectivisation, entrance fees were minor and levied equally. This is why some collective farms were weak. Later on, the entrants were required to hand over all the means of production connected with the branch to be collectivised. A so-called "minimum of socialisation" was introduced at the end of 1929 fixing the value of the means of production which the entrant was obliged to hand over to the collective farm. These means were divided into two categories—shares and contributions to the indivisible fund. In addition, entrance fees were established that depended on the size of the applicant's farm. Farmhands had to pay 5 rubles, while poor and middle peasants had to pay between 5 and 25 rubles.

At that time, the accumulation of collective-farm property was characterised by the growth of socialised funds, especially by the formation and growth of indivisible funds.

Indivisible Funds in Soviet Collective Farms

| Year | Percentage of collective farms with indivisible funds | Sum ('000 rubles) | Average per collective farm with indivisible fund ('000 rubles) | Share of indivisible funds in the value of the basic means of production |
|------|---|-------------------|---|--|
| 1929 | 48.2 | 72,008.883 | 3.173 | 29.5 |
| 1930 | 79.0 | 509,886.2 | 7.7 | 42.3 |

The table shows that in 1930 most of the collective farms had indivisible funds; their absolute size had greatly

¹ CPSU in Resolutions..., Part II, p. 649.

increased; their average size per collective farm with an indivisible fund more than doubled.

In the years of mass collectivisation the indivisible funds were formed mostly from the resources of peasants entering the collective farms. Of great importance were the means appropriated as a result of the expropriation of kulaks. These amounted to over 400 million rubles, or 20-37 per cent of indivisible assets. Subsequently, the indivisible funds were increased by deductions from incomes derived from the socialised sector, i.e., the accumulated labour of collective farmers became the main source for augmenting the indivisible funds.

In 1930, deductions for indivisible funds amounted to 10 per cent of gross income less the seed fund, fodder reserves, agricultural taxes and insurance payments. The Plenary Meeting of the Party's Central Committee in June 1931 suggested that every collective farm, when approving the plan for income distribution, should set aside funds for planned capital outlays (indivisible funds) at the rate of 10 per cent in new collective farms and 15 per cent in established and strong collective farms.¹ In 1932, cash deductions for the indivisible funds averaged 14.1 per cent. The Model Rules of the Agricultural Artel, endorsed by the All-Union Congress of Shock Collective Farmers in 1935, fixed the following deduction rates: not less than 12 per cent but not more than 15 per cent in grain-growing areas, and 15 to 20 per cent in areas producing industrial crops and raising livestock.

The growth of the basic means of production, as shown in the table on p. 197, also attests to the expansion of the socialised sector of collective farms.

The experience of socialist construction in the USSR and other countries shows that as the socialisation of the means of production gains momentum, the further consolidation and growth of co-operatives as a socialist form of farming depend on specific forms of organising the socialised sector. The emergence of the co-operative-kolkhoz ownership in the means of production in the Soviet Union produced

**Basic Means of Production in Collective Farms
(in '000,000 rubles at invariable prices of 1926-27;
cost of wear deducted)**

| | 1929 | 1930 | 1931 | 1932 |
|---|-------|-------|---------|---------|
| Total basic assets (including houses and other non-production funds) | 171.5 | 589.7 | 2,849.7 | 6,477.7 |
| Total basic means of production (excluding land-reclamation facilities, irrigation installations and perennial plantations) | 149.7 | 549.5 | 2,485.3 | 5,705.2 |

such concrete forms for the materialisation of the new property relations as indivisible and other funds (seed, fodder, etc.) that are not returned to the members who choose to leave the collective farm. The indivisible funds stimulated the economic growth of collective farms and established the prerequisites for the growth of the entire socialised sector of collective farms.

The socialist countries, relying on the experience gained by the Soviet Union, from the very outset of production co-operation paid much attention to the formation and accumulation of indivisible funds. There, too, the indivisible funds became pivotal sources for the formation of social funds.

In Bulgaria, for instance, the Model Rules for the agricultural associations required peasants joining the co-operatives to pay, in addition to entrance fees, a material contribution. These went to form the social means of production, the basic assets of the co-operatives.

In Rumania, the indivisible funds of agricultural co-operatives were initially also formed from entrance fees and material contribution. However, not more than half of the socialised peasant property went into the indivisible fund,

¹ CPSU in Resolutions..., Part III, p. 97.

while the rest remained as his share-holding. It is important to stress here that the indivisible funds were formed together with the co-operatives. This was characteristic of the production co-operatives in the other European socialist countries as well. In many of these countries, when the co-operatives were being organised and during the first years of their existence, a major role in the formation of indivisible funds was played by the state. In 1957 in Czechoslovakia, for instance, the indivisible funds were made up of the following sources: 11.5 per cent—property handed over by co-operative members, 35.8 per cent—cash income deductions, 9.9 per cent—increase in the herd, 13.5 per cent—investment, 29.3 per cent—free grants from the state.

As in the Soviet collective farms, the production co-operatives in the other socialist countries build up their indivisible funds from annual income deductions. The proportion of shares in the indivisible funds is gradually falling; they are being turned into the accumulated surplus labour of co-operative members and MTS workers. The table below shows how the indivisible funds per hectare of farmlands were accumulated by Czechoslovak agricultural co-operatives during the period of their establishment (per cent):

| 1951 | 1953 | 1954 | 1955 | 1957 |
|------|------|------|------|------|
| 100 | 185 | 339 | 500 | 705 |

On the average, the sum of indivisible funds per hectare of farmlands increased more than sevenfold. This growth was the first result of the development of the socialised sector of agricultural co-operatives and the channelling of cash incomes into the indivisible funds. In Czech regions, the share of property handed over by co-operative members into the indivisible funds fell from 30 to 13.2 per cent; in Slovak regions, it fell from 16 to 7.7 per cent.

The income deductions for the indivisible funds in the socialist countries considerably increased even in the first years of the establishment of production co-operatives. In Albania, from 10 to 20 per cent of the total annual cash

income is used to replenish the indivisible fund; in Rumania from 10 to 15 per cent; in Czechoslovakia—from 10 to 12 per cent; in the GDR—in the case of type-3 agricultural co-operatives—from 8 to 20 per cent. In Hungary, the Rules fix the deductions for the indivisible fund at 10 per cent of the net income.

In Bulgaria, the deductions are made both in cash and in kind. Under the Model Rules, these deductions prior to 1954 were fixed at 7.3 per cent. The Fourth National Conference of Bulgarian agricultural co-operatives decided that deductions should amount to 5 per cent of the aggregate income of the socialised sector. After the Fifth Conference, the co-operatives began to deduct between 5 and 15 per cent of cash income, and 2 to 7 per cent of the gross harvest of wheat, sunflower and corn. The growth of indivisible funds in Bulgarian co-operatives can be seen from the following table:

| Indivisible funds ('000,000 leva) | 1952 | 1956 | 1960 |
|-------------------------------------|------|------|------|
| Per collective farm | 62 | 120 | 793 |
| Per 100 hectares of cultivated land | 7 | 12 | 19 |

As can be seen from the table, the indivisible funds were accumulated particularly rapidly after 1956. This was because deductions for social funds in general, and the indivisible funds in particular, considerably increased after the Fifth Conference of Bulgarian agricultural co-operatives. In 1958, the indivisible funds were replenished by 717.9 million leva, compared with 478 million in 1957.

The growth of the indivisible funds in all the socialist countries in Europe testifies to the rapid expansion of basic assets in co-operatives, for the indivisible funds form the basis of the latter's development. All this encourages the peasant to regard the means of production as social.

In the Asian socialist countries, the indivisible funds have also become the corner-stone of the co-operative economy. Here, too, they form the material basis of the social-

ised sector and can therefore in no circumstances be redivided among the members. The indivisible fund is formed from the socialised immovable property; it is replenished from the social accumulation fund set up annually. In the co-operatives of the Korean People's Democratic Republic, the social accumulation fund is formed by the deduction of 15 to 30 per cent of income after the subtraction of the portion required to fulfil the state obligations, for maintaining the seed and fodder funds, for purchasing fertilisers and meeting other production expenditures.

The experience of socialising the peasant means of production in the European socialist countries shows that during the organisation of agricultural co-operatives it is expedient to employ certain concrete forms of material incentives in pooling peasant means of labour. We have already mentioned that at first shares accounted for a high percentage of social property. It was precisely as shares that the bulk of peasant means of production was handed over to production co-operatives. The peasant had nothing against this form since it harmonised with his proprietorial psychology which required an answer to the question: "What portion of my property will I get back if I decide to return to private farming?" Knowing that he could get back his share, he was emboldened and agreed to socialisation of the means of production. The socialist states helped the poor peasants join co-operatives and extended them various privileges. In the case of middle peasants, one of the methods used to encourage them to join co-operatives was to buy out some of their implements.

The experience of collectivisation in the USSR also proves that material incentives are essential for pooling peasant means of production. During the years of mass collectivisation in the Soviet Union, 5 per cent of the gross harvest and income received from socialised dairy farming were distributed among collective farmers as an incentive, depending on the amount of property they had contributed to the socialised fund. This was done to encourage middle peasants to join the collective farms—a temporary concession to their proprietorial psychology, but a concession that prevented middle peasants from disposing of their

implements and draught animals. MTS were few in those years, and the horse continued to play an important part in agricultural production. So it was essential to convince middle peasants to bring along their horses to the collective farms.

The other socialist countries in Europe and Asia applied material incentives on a broader scale. The buying-out of some of the means of production was particularly widespread in Czechoslovakia. For instance, it was decided in 1957 to pay co-operative members 80 per cent of the estimated value of agricultural implements, orchards, vineyards and hop-gardens. Earlier, beginning with 1953, co-operative members were paid 80 per cent of the value of cattle they handed over; the remaining 20 per cent was transferred to the indivisible fund. If the peasant in joining the co-operative handed over more cattle than was fixed by the per-hectare rates, he was recompensed the difference.

In the GDR and Rumania, the co-operative members were paid over a number of years the difference between the value of cattle and implements they actually handed over and the amount of the obligatory inventory contribution.

The partial buying-out of the means of production helped to induce middle peasants to join co-operatives. Usually, this form was not applied to kulaks and landlords.

In Czechoslovakia, for instance, 50 per cent and more (depending on the decision of the general meeting) of the estimated value of the means of production handed over by kulaks applying for membership were transferred to the indivisible fund.

Such are the salient aspects of the emergence and development of co-operative-kolkhoz ownership in the means of production as one of the forms of socialist property. The very nature of the socialisation of peasant means of production and particularly the concrete forms of organisation of the socialised sector and its funds predetermine the change of attitude towards the means of production on the part of not only the peasants involved but also of all members of the socialist society. This stems from the fact, first, that the entire process of organising peasant households into production co-operatives took place in conditions in which the

state form of socialist property was predominant. This means that the economic laws of socialism came to play the decisive role in the whole economy. Second, the emergence of co-operative-kolkhoz ownership in the means of production created a basis for expanding the sphere of operation of the economic laws of socialism and for the balanced development of kolkhoz, co-operative production.

Third, the formation of indivisible funds and the sources stimulating their growth already in the years of the establishment of production co-operatives predetermined their significance as the nexus for new production relations inside the given collective farm or co-operative, and as the basis for the formation of definite relationships to their basic means of production. This results from the indivisibility of the basic means of production, which makes possible public (state) control over the co-operative development, thus turning collective farms and co-operatives into components of an integrated national economy, components that are included in a planned manner in the socialist social division of labour.

We believe that all we have said corroborates the fact that from its very inception co-operative-kolkhoz property has been a collective form of ownership of the means of production which is being developed in close interaction with the state form of property and which has features and elements both common with the latter and inherent in relations between people *vis à vis* the state means of production. These elements rise during the socialist reorganisation of agriculture through the appearance of indivisible funds.

Subsequently, as the productive forces of the socialist society develop, the co-operative-kolkhoz ownership of the means of production begins to approximate state ownership. But this is a gradual process and, as the March 1965 Plenary Meeting of the CPSU Central Committee noted, the two forms of socialist property will continue to exist and develop for quite a time.

Continuing development of the two forms of property during communist construction takes place in close interaction with the leading role belonging to state property. This interaction, its character, the improvement of socialist

production relations in the collective-farm countryside, and the elimination of the differences between the co-operative-kolkhoz and state forms of property are based on the community of the two forms of property.

This community consists, first, in the fact that the state and co-operative-kolkhoz forms of property appeared on the basis of the socialist socialisation of the means of production, i.e., on the basis of the negation of all forms of private ownership of the means of production;

second, the two forms of property express new relations between workers *vis à vis* the means of production and other products of labour—relations based not on the exploitation of man by man, but on comradely co-operation and mutual assistance. This common feature is a manifestation of the new method for combining the workforce with the means of production. It consists in the fact that no exploitative classes can appear under socialism;

third, both the state and kolkhoz sectors of the national economy are subject to the same economic laws of socialism, the operation of which is predetermined by the emergence of the socialist ownership in its state and co-operative-kolkhoz forms. Production is given a new goal on the basis of the socialist socialisation of the means of production. At the First Congress of Economic Councils in 1918, Lenin said: "Socialism alone will make possible the wide expansion of social production and distribution on scientific lines and their actual subordination to the aim of easing the lives of the working people and of improving their welfare as much as possible."¹

Thus, the aim of production under socialism is to satisfy the needs of all members of society, while the instrument for achieving this aim is the continuous development and improvement of production. The emergence and operation of the basic economic law of socialism wholly depend on the establishment, above all, of the state ownership of the means of production, and then of the co-operative-kolkhoz form of property, which also comes under the operation of the basic economic law of socialism. Socialist property in its

¹ V. I. Lenin, *Collected Works*, Vol. 27, p. 411.

two forms is the objective basis for the balanced development of the economy under socialism. It is precisely the ownership of the means of production as the basic relation in production that forms, both historically and logically, the basis for the development of the aggregate socialist production relations. Though the co-operative-kolkhoz property predetermines certain specific features of the forms in which the economic laws of socialism are manifested in kolkhoz production, yet this property, like state property, being in essence a form of socialist property, serves as the basis for the emergence and operation of economic laws inherent in socialism alone. Hence we have common basic principles of the organisation and remuneration of labour in kolkhozes and state enterprises, the character of relations between state enterprises and kolkhozes and others.

The emphasis laid on common features of state and co-operative-kolkhoz forms of property is not intended to belittle the importance of the differences between them. The main distinction lies in the different levels of the socialisation of the means of production and labour. Speaking about the community of the two forms of socialist property, their uniformity, it is necessary to underline that this precisely constitutes the objective basis for developing the entire social socialist production both during all the stages of socialist construction and during the transition from socialism to communism. Therefore, it is important for theory and practice to underscore everything that unites state and co-operative-kolkhoz property, i.e., their community and uniformity.

The differences between the two forms of property reflect the specific roads to socialism and communism taken by the working class and the peasantry.

The higher the level of the productive forces in the socialist society, the fewer are the differences between these two forms of property, and the less specificity in the forms in which the requirements of economic laws are manifested in the kolkhoz sector. All this constitutes the economic basis for erasing class distinctions during the development of socialism into communism. This process begins along with organising peasant households into production co-operatives

when the radical class distinctions between the working class and the peasantry are being eliminated. In conditions when the two forms of socialist property exist, this process acquires a new content because in this case it is a matter of eliminating the distinctions between two friendly classes of the socialist society, classes which possess many common economic features predetermined by the community, uniformity of the state and co-operative-kolkhoz forms of socialist property.

§ 2. THE EMERGENCE OF THE SOCIALIST FORMS OF THE ORGANISATION AND REMUNERATION OF LABOUR IN PRODUCTION CO-OPERATIVES

Every system of production relations has an inherent character of labour and social organisation. Whereas the ownership of the means of production expresses the method of combining labour force with the means of production, the most important aspect which characterises this combination is the organisation of labour, without which there can be no relations between man and nature and without which the labour itself is impossible.

The emergence of the co-operative-kolkhoz property in the means of production and, connected with it, a new step in the socialisation of the process of agricultural production and labour promoted new forms of planned organisation of labour on collective farms. These forms were to ensure the operation of the functions of social labour and productivity growth in conditions free of any exploitation and oppression. From its very inception, the production co-operative, being a large socialist enterprise, charts the direction for labour organisation.

A production co-operative, a collective farm makes use of all the advantages inherent in co-operative labour. A collective farm can simultaneously employ available manpower in various sectors of its economy. It means that there are definite conditions within the given co-operative for the division of labour, primarily between the key branches of farm production—crop-growing and stock-breeding. Consequently, a collective socialist farm has objective opportunities for labour specialisation in each of its economic sectors.

The socialist organisation of labour is vital not only for the organisation of production, but also for moulding a man with a new psychology. It is only through forming new labour relations in co-operatives that it is possible to remodel the peasant's private-ownership mentality, nurture the collectivist attitudes, and make the peasant aware that he is the master of the production co-operative or the collective farm, that the production achievements and the growth of the material and cultural welfare of all collective farmers wholly depend on correct labour organisation and a high sense of discipline among all co-operative members.

The experience of the organisation of kolkhozes in the USSR gradually made it possible to find the necessary basic forms of the socialist organisation of labour.

Initially, farmers were not attached to specific sectors, all work was assigned to the members on a day-by-day basis. One day the farmer worked here, the next somewhere else. He was not responsible for any particular sector. Such labour organisation could not imbue a necessary sense of the new, socialist labour discipline and a new attitude towards social property. To heighten responsibility for the assigned task and develop commonly-owned economy it was necessary to assign the members to specific sectors and branches.

It was found that the brigade was the best form for organising labour on collective farms. Some collective farms began to adopt this form back in 1928 and 1929. Usually, brigades were organised for spring sowing or autumn harvesting campaigns, i.e., they were seasonal and their membership was not permanent. But their work produced good results and corroborated the necessity of labour division among collective farmers.

Brigades with permanent membership began to spread widely beginning with 1930. But there were serious drawbacks as far as brigades organised on the residential principle were concerned. The conditions were absent for raising labour productivity, introducing piece-work and encouraging socialist emulation. Fluctuation of manpower was high in such brigades. This was not so with brigades organised on the production principle. Such brigades were able to make the best use of manpower and the means of production.

Already in 1930 the brigade became the basic form of the labour organisation on collective farms. However, serious organisational work was required to form new brigades along the production principle, strengthen the existing brigades, and find the best ways of organising labour within the brigades themselves.

The First All-Union Conference on the Organisation of Labour on Collective Farms held on January 12-19, 1931, was of great importance in line with this. The Conference generalised the experience of the best collective farms and adopted a corresponding decision subsequently endorsed by the board of the USSR and RSFSR Kolkhozsentr.

The decision explained in detail brigade organisation, and provided that brigades should be subdivided into teams. It was recommended that two types of brigades according to production principle be established—"combined" for interconnected work (ploughing, sowing and harrowing) and "specialised" for only one kind of work (ploughing, weeding, or harvesting of tobacco, cotton, etc.).

Along with organising brigades with permanent membership it was also recommended that seasonal brigades in the appropriate branches be formed. The decision provided for the organisation of temporary brigades for short-term work, and for the organisation of women's teams.

The decision underlined the responsibility of the brigade leaders and all the members for the implements and draught animals allotted. Particular attention was drawn to the need for the division of labour within cattle-breeding brigades, so that each of the members would be responsible for the cattle assigned to him.

The conference devoted great attention to the need of introducing piece-rate system in all branches and for all basic types of work on a collective farm so as to encourage improvements in labour organisation and raise labour efficiency. The conference recommended personal or group piece-rate remuneration. The same was recommended for brigades, but only for those with permanent membership and industrious ones, provided they got rid of loafers. The piece-rate system was based on output quotas fixed according to the work done by the best collective farmers and brigades.

The output quotas served as the basis for a piece-rate evaluation of each unit in work-day units. All types of work were divided into easy, medium, heavy, those requiring special experience, and qualified. Each of these groups had a corresponding system of evaluation in work-day units.

All these decisions consolidated the brigades organised on the production principle, introduced personal responsibility and eliminated wage levelling.

In the 1930s, the brigade form of labour organisation was being consolidated and improved. It helped to introduce social labour habits and stimulated the relations of mutual assistance and collectivism among peasants.

Generalising the experience gained in organising and developing the brigade form of labour organisation, the Party's Central Committee pointed out in its decision of February 4, 1932: "The *brigade* must become the major form of labour organisation on collective farms. In line with the experience of the best agricultural artels, the Central Committee believes it expedient to organise brigades with a permanent membership of collective farmers so that such brigades will ordinarily do all the principal farm work in the various sectors throughout the year. The collective farms shall assign to such brigades for the time they work the required machinery, implements and draught animals, for which the brigades shall be made fully responsible. The evaluation of the work-day unit shall be raised or lowered, depending on the results of the brigade's work."

Gradually, thanks to the great amount of work carried out by the Communist Party and the Soviet government, all residential brigades were replaced by brigades formed on production principle which made it possible to take full advantage of co-operative labour on collective farms and the division of labour between key branches. The permanent brigade formed on production principle laid grounds for collective farmers' specialisation in definite types of work.

Implementing the decision of the Party's Central Committee of February 4, 1932, the Kolkhoztsentr of the USSR and the RSFSR defined more precisely the functions and activities of production brigades. Each brigade was to be

given an assignment, listing the jobs, time-limits, agro-technical measures, output quotas for each type of work, evaluation of each type of work in work-day units and the number of work-day units to be assigned to the brigade for fulfilling the production assignment. Thus the brigade, being the main production unit, was to work according to a strict plan, the fulfilment of which ensured the required quality with certain labour expenditure. The pay depended on the fulfilment of the production assignment. To improve the organisation of labour within the brigade, the Kolkhoztsentr recommended the breaking up of the brigades into teams, each of which was to be assigned definite tasks and allotted implements and draught animals to be placed under the responsibility of those who worked with them.

The decision of the Party's Central Committee of February 4, 1932, on the organisation of livestock farms was of tremendous significance for the organisational and economic consolidation of collective farms and for the growth of their commonly-owned economy. The decision pointed to the necessity of assigning definite groups of animals to specific brigade members and paying the latter according to the results obtained (output of milk, increase in weight of animals, number of younglings, etc.). This method proved to be very successful in many of the best collective farms.

The main work unit in livestock farms was the brigade. There were brigades of cattle-farm workers, milkmaids, builders, fodder suppliers, etc. As of January 1, 1931, there were at least 3,200 dairies on collective farms with a total of nearly 460,000 cows. A year later, the number of dairies increased to 39,350 (5,389,800 head of cattle), of pig-breeding farms to 20,778 (2,500,000 head of pigs), and sheep-farms to 1,961 (1,600,000 head of sheep).

As we see, a tremendous amount of work was done during mass collectivisation to introduce socialist organisation of labour. As a result, the permanent production brigade became its main form. The brigade most fully corresponded to the tasks of introducing piece-work remuneration, according to the amount and quality of work done. In a short period of time, the brigade traversed the path from a brigade formed on the residential principle with its irresponsibility,

poor discipline and sharp fluctuations of manpower (one of the reasons for low labour productivity) to a permanent brigade formed on the production principle in line with which it was placed in charge of a specified amount of production means and was made responsible for work results. This was an important step in consolidating socialist production relations within the collective farms.

The permanent production brigades have remained as the main form of labour organisation on collective farms during the entire period of socialism. This form derives from the nature of collective farms which are large socialist enterprises founded on modern machinery and techniques. The brigades ensure the most efficient exploitation of machines and help to develop the productive forces in agriculture.

This has been confirmed by the experience of socialist construction in other socialist countries. There, too, the brigade became the basic form of labour organisation in production co-operatives, particularly of the higher type. But there were certain dissimilarities.

In Bulgaria, as the agricultural co-operatives grew stronger and larger, the brigades changed from highly specialised (sheep-breeding, horticulture, vine-growing) to mixed and comprehensive. Mixed brigades were placed in charge of various fields of plant-growing, while comprehensive brigades had also dairy cattle allotted. The permanent brigade with a definite acreage and other basic means of production is the basic organisational form in Bulgarian agricultural co-operatives. When the necessity arises, the brigade can be subdivided into teams or groups.

In Czechoslovakia, the higher-type agricultural co-operatives began to organise permanent production brigades from the very beginning. Apart from field, vegetable-growing, livestock breeding and horticulture there are also permanent construction brigades. At the peak of establishing production co-operatives, many co-operatives had only one field brigade each. That was determined by the size of the co-operative and the economic expediency of organising large brigades. For labour-intensive crops, the large brigades assigned teams. When the co-operatives were being served by the

MTS, one MTS team was usually attached to several field brigades of one or several co-operatives.

In cattle-breeding, the basic production unit is also the permanent brigade placed in charge of a certain amount of cattle, premises, implements, etc. Such brigade consists of several teams.

As the MTS were reorganised in 1959 and the agricultural co-operatives began buying machinery, tractor drivers were included in the field teams. Some co-operatives organised tractor teams and, later on, comprehensive mechanised brigades.

In the GDR, the permanent production brigades in agricultural co-operatives are organised according to sectoral principle. The Rules of the agricultural production co-operatives say that field brigades are to be organised for a term not less than three years. In the first years of establishing production co-operatives, the brigade was the prevailing form of social labour organisation in the field-crop cultivation. It had about 30 people responsible for a fixed acreage and other means of production. The co-operatives served by the MTS drew up sowing and harvesting plans co-ordinated with the MTS. The latter attached permanent tractor teams placed under the control of the chairman of the given agricultural production co-operative. When the MTS handed over their machinery to the co-operatives, these teams were used to set up tractor-field brigades in the co-operatives themselves.

Each agricultural production co-operative sets up brigades for cattle-breeding, their number and size depending on the size of the herd and the level of mechanisation. Farms and brigades specialising in feeding, fattening and raising calves or pigs, in milking cows, looking after pigs and their sucklings, etc. are formed. This form of labour organisation is constantly being upgraded. The increasing supply of machines to the co-operatives and their cattle-breeding branches brings mechanised cattle-breeding brigades to the fore. Comprehensive brigades are being organised just as in other large co-operatives encompassing several villages. As social production emerges and advances, the agricultural production co-operatives pay more and more attention to the

organisation of labour within the brigades themselves. Specialised teams are being organised for cultivating several crops (comprehensive teams) or for the cultivation of a specified type of crops. Permanent brigades and their teams in kolkhozes and co-operatives became a typical feature of the socialist organisation of labour in all socialist countries.

Labour organisation is always closely linked with labour remuneration. But before turning to the interrelation between socialist labour organisation and its remuneration in production co-operatives, it is first necessary to analyse the process of the emergence and development of the relations of product distribution for personal consumption of members of collective farms and co-operatives.

The process of the formation of socialist production relations, engendered by the emergence of a new relation of members of collective farms and co-operatives to the means of production, also entailed the emergence and development of new relations of distribution. A well-known thesis of Marxism-Leninism says that production cannot exist without distribution, and that distribution itself is merely an element of any production. The emergence of co-operative-kolkhoz property calls forth an objective necessity of evolving such forms of labour remuneration as would ensure socialist relations between the members of a co-operative, on the one hand, and create material incentive in strengthening and developing the commonly-owned economy of collective farms and production co-operatives, on the other.

The new, socialist form of production in the countryside, which emerged as a result of the establishment of production co-operatives, and new property relations necessitated corresponding new, socialist relations of distribution because the form of distribution wholly depends on the form of ownership of the means of production. The relations of distribution constitute one of the most important aspects of production relations. In order to strengthen the socialist production relations in the co-operative, it was necessary to bring the form of distribution in correspondence with the new relations of peasants to the means of production as collective, social means of production. The equal relation of peasants, members of co-operatives, to the means of

production also signifies an equal relation to the results of co-operative production. The output of a co-operative is property of a group of collective farmers in the given collective farm. In the collective farm, which is a socialist enterprise, each of its members is in an equal position as regards the means¹ of production, and therefore "no one can give anything except his labour," and... on the other hand, nothing can pass to the ownership of individuals except individual means of consumption".¹ Thus, each member of the co-operative works and receives products as compensation. So they must be distributed among the members of collective farms and co-operatives according to the quantity and quality of expended labour, i.e., each must receive no more than he has earned by his work.

Production can be continually developed only if each worker in socialist society is materially interested in contributing his labour. Lenin frequently stressed the importance of the personal material incentive of the worker in the development of socialist production. In the article entitled "Fourth Anniversary of the October Revolution", he wrote: "Personal incentive will step up production; we must increase production first and foremost at all costs."²

Personal material incentive can be created only by the distribution of the articles of consumption according to the quantity and quality of expended labour. Distribution according to the work done is an objective necessity in socialist society and an economic law of socialism. The objective basis for the operation of this law in co-operatives was set by the co-operative-kolkhoz form of socialist property which arose under the dictatorship of the proletariat in which state property occupies the predominant position in the economy. Only this form of distribution could create collective farmers' personal incentive in developing co-operatives' commonly-owned economy, thus setting the conditions for the growth of labour productivity. Only distribution according to labour corresponds fully to the socialist form of production. No other forms of distribution can ensure the growth of pro-

¹ Karl Marx and Frederick Engels, *Selected Works*, Vol. 3, p. 18.

² V. I. Lenin, *Collected Works*, Vol. 33, p. 59.

duction and, consequently, satisfy the continually expanding needs of society under socialism.

The emergence of co-operative-kolkhoz property in the means of production set the stage for a new division of labour and its product. Prior to the establishment of production co-operatives the peasant's labour was divided into necessary and surplus labour; correspondingly, the product of his labour—into necessary and surplus product. This stems from the fact that under the dictatorship of the proletariat the toiling (individual) peasants must make a contribution to cover overall national expenses. The objective basis for the division of individual peasants' labour and its product is the private ownership of the means of production.

With the emergence of socialist production relations the character of the division of labour and its product changes. Under socialism, the division of labour and its product into the necessary and surplus expresses completely different socio-economic relations. Since the production co-operative is the collective proprietor of the means of production and output, the labour of co-operative members is therefore divided into labour for oneself and labour for the co-operative, and correspondingly, the product of their labour is divided into the product for oneself and the product for the collective farm, for the co-operative. This division of the product is not identical with the concepts of the necessary and surplus product. The concept "necessary product" is much broader than the concept "product for oneself", while the product for the collective farm contains a part of the necessary product. The more developed the co-operative commonly-owned economy is, the higher are the incomes and the larger are the social consumption funds. When collective farms were established, the share of the necessary product in the product for the collective farm was insignificant, so personal requirements were satisfied by remunerating the portion of labour that went to create the product for oneself.

When the product began to be divided into the product for oneself and for the collective farm, it became necessary to adopt a corresponding distribution of the product of labour. The part of the product produced by the labour for oneself was to be distributed among co-operative members, depend-

ing on the quantity and quality of labour, while that produced by labour for the co-operative, collective farm, was to be used for satisfying the needs of commonly-owned economy, for extended reproduction and for covering overall state expenses.

The state industry, in implementing the law of distribution according to labour, applied the old wage system, but filled it with a new content. In the case of collective farms, which were organised on the basis of the socialisation of peasant means of production, there was no, nor could there be, such old system to be used by filling it with a new content. Consequently, when implementing Lenin's co-operative plan, it was necessary to find a specific form to implement the law of distribution according to work done in collective farms.

The solution of this problem during collectivisation in the USSR played a great role in consolidating and developing collective farms, and also made it far easier to organise labour remuneration in production co-operatives in other socialist countries. It was one of the most difficult problems to be solved by the CPSU and the Soviet state.

Various forms of labour remuneration in Soviet collective farms were advanced—from egalitarianism, which created no incentives for raising labour productivity, to remuneration according to the quantity and quality of labour, which coincided with the principle of material incentive of collective farmers in upgrading and boosting labour productivity.

The first collective farms distributed the incomes (of what was left over after delivery of grain according to surplus requisitioning system and stockpiling of the required funds) in line with the system of egalitarian shares in kind. The Rules, operating at that time, contained only general provisions for the distribution of incomes. The 1919 Rules of Communes said that each member of the commune had the right to satisfy his normal needs. This right was also given to the disabled. Naturally, the low level of productive forces in agriculture did not allow the implementation of the distribution of output according to one's needs. In fact, that part of the commune's output, which was allocated for

personal consumption, was equally distributed among all members of the commune, including dependents.

The Artel Rules of 1919 contained only general provisions for remuneration according to the amount of labour done. However, the Normal Rules of the Artel of 1920 recommended that output be distributed according to the number of family members, or according to the number of family members and working members. Rationed products were to be distributed in line with the existing norms approved by the People's Commissariat for Food.

Income distribution in associations for the joint cultivation of land was based on the provision in the Status on Socialist Land Tenure, under which food and fodder were distributed at state-fixed norms of seeds and fodder of the association.

In the period of War Communism, income was distributed on egalitarian principles both in artels and associations, as well as in communes.

When NEP was introduced, the principle of distribution according to family members ceased to be the sole form of distribution. The general meeting of the artel could vary the norms of distribution for the disabled. Artel rules contained no definite instructions about distribution, leaving the matter to the collective farms. One of the forms, mentioned in the Rules, was distribution "according to the quantity of labour contributed by each member to the artel economy, according to the number of family members or according to some other principle".¹ Neither did the Rules of the associations for the joint cultivation of land contain any concrete instructions concerning income distribution.

In the meantime, during the years prior to collectivisation collective farms were themselves advancing various forms of labour remuneration, for the collective farmers were interested in finding the most rational and correct forms and methods of remunerating labour.

Most widespread was distribution according to the number of family members (many collective farms took into consideration the age) with due regard for the number of labourers

in the household; according to the number of family members with due regard for the amount of labour contributed; according to the number of family members taking into account as well the number of implements handed over to the collective farm; to the number of shares, of implements handed over, labour contributed (in accordance with the number of work days), etc.

The communes with their inefficient and obsolete implements attempted to apply the principle "from each according to his ability, to each according to his needs", but all this led to egalitarian distribution. As a result, labour productivity began to fall. Petty-bourgeois egalitarianism in communes could not ensure any growth of labour productivity, correct labour organisation or high discipline. This compelled the commune members to discard egalitarian distribution in 1925 and go over to cash remuneration. At that time cash remuneration was progressive because it took into consideration the amount of labour contributed by each member. The pay according to labour had an immediate positive impact on the organisation of labour and labour discipline. This can be seen from data collected in the Verty Put commune:

| Year | Absentee days | | | Work days | | |
|------|---------------|-------|-----------|-----------|-------|-----------|
| | Men | Women | Juveniles | Men | Women | Juveniles |
| 1924 | 1,904 | 5,558 | 4,632 | 7,801 | 4,012 | 1,797 |
| 1925 | — | 2,483 | 2,675 | 12,488 | 7,087 | 2,138 |

The table shows that higher material incentive in work immediately reduced absenteeism and increased output per worker. This facilitated the growth of labour productivity in the commune.

Not all communes immediately adopted the new system. For a while, some distributed part of the product according to labour, and the rest according to the "needs", depending on the number of family members. Other forms of remuneration were also being tried out, but here it is important to note that the collective farms gradually adopted the system of remuneration according to labour contributed.

¹ *Model Rules of Labour Agricultural Artel*, Moscow, 1924, pp. 10-11.

This was reflected in the 1925 Rules for Communes which introduced the corresponding amendment in the clause dealing with labour remuneration. True, the Rules permitted distribution according to the number of family members ("needs"). Beginning with 1929 the Model Rules for Communes abolished this provision completely.

Gradually, the law of distribution according to labour forced its way into all types of collective farms. To ignore it, would have meant to undermine the collective farms because new property relations required new, socialist relations in the distribution of the product of labour. Distribution according to labour alone can ensure the proper implementation of the principle of the material incentive of collective farmers in their work, without which there can be no rise in labour productivity, no economic development of collective farms and no promoting of new property relations.

Artels where at one time many collective farmers regarded the family members principle as the most just form of distribution, also began to distribute according to the number of family members and working members, and then according to the number of family members and amount of labour contributed. Some artels and associations for the joint cultivation of land distributed incomes according to the size of plots which the members handed over to the collective farm. This form of distribution was also being gradually replaced by distributing part of the product according to the plot size and part, according to the number of working members. Later on, the associations adopted the labour remuneration system.

Nevertheless, prior to all-round collectivisation, the egalitarian principle continued to dominate in spite of the drive in collective farms to bring the distribution of incomes in line with the expenditure of labour.

In 1927, most widespread were the number of family members principle of distribution (56.6 per cent), the "labour" principle of distribution (17.2 per cent) and the "needs" principle (10.5 per cent). These figures are based on data collected in only 843 collective farms, but to some extent they prove that the egalitarian system of distribution was prevalent at that time. Egalitarianism seriously impeded the develop-

ment of a commonly-owned economy because it fostered no personal incentive for raising labour productivity. This is precisely why kulaks backed the egalitarian system and obstructed the introduction of the distribution according to labour performed.

Distribution according to the number of working members was another form of egalitarianism. In this case, the incomes were distributed not according to the number of family members, but according to the number of working members provided by each household for work on the collective farm.

Equally wrong was distribution according to the number of shares or contributed property. Under this system, the peasant's incomes depended not on the quantity or quality of contributed labour, but on the cost of the means of production which he handed over to the collective farm. Actually, this represented a camouflaged form of exploitation of poor and middle peasants in collective farms by kulak and prosperous members. Such methods of distribution frequently turned "collective" farms into bogus imitations. Similar to this method of distribution was the distribution of incomes according only to the land plots contributed. The latter permitted some collective farmers to thrive incomes derived other than from labour, notably through receiving rent payments for nationalised land. This, in effect, was a camouflaged form of exploitation of the labour of others and undermined land nationalisation.

All the above-mentioned systems of distribution were often applied in various combinations.

The introduction of cash remuneration was a serious attempt to promote distribution according to labour done. It was obviously a step forward compared with the preceding forms of distribution. The introduction of cash remuneration to some extent heightened the collective farmers' material incentive for working in the commonly-owned economy of collective farms.

However, it soon became clear that the conditions did not mature at the time for cash remuneration in artels similar to the wages paid in state enterprises. First, the cash remuneration alone harmed the satisfaction of the needs of collective

farmers in foodstuffs. Second, it often happened that the earnings of collective farmers were registered year-round in pay lists, but the boards of collective farms never knew whether they could pay up at the end of the year. Usually, the wages to be paid at the end of the year exceeded income allocated for distribution. The accounts had to be settled through infringing commonly-owned economy.

Thus, at that time cash remuneration proved to be a premature form of distribution according to labour. The ruble proved to be unacceptable as the unit for evaluating labour in collective farms. This fact was noted in the decisions of the USSR People's Commissariat for Agriculture and the USSR Kolkhoztsentr. In April 1930, the Explanations to the Model Rules of Agricultural Artels, endorsed by the USSR Central Executive Committee and the Council of People's Commissars, categorically prohibited cash remunerations alone.

It was suggested that accounts with collective farmers should be settled on the basis of the quantity and quality of labour contributed by each collective farmer or household, in line with the decision of the general meeting. By that time, the collective farms were introducing on a wide front and in line with the decision of the November 1929 Plenary Meeting of the Party's Central Committee output quotas and price rates for various types of piece-works and the piece-rate system. The introduction of output quotas proved that the evaluation of different types of collective farm work was best expressed in conventional labour units. Through the experience gained in organising collective farms the Communist Party and the Soviet government found this concrete form of distribution according to labour in collective farms in work-day units. The work-day unit is simultaneously the measure of quantity and quality of labour, and the measure of distribution. It was the best method for most fully implementing the principle of the material incentive of collective farmers in the development of their commonly-owned economy.

Being a measure of labour, the work-day unit expressed, in one or another way, the measure of distribution, depending on its "weight", i.e., on its material content, which,

in turn, depended on the work performance of the entire collective farm.

Back in June 1930, the Kolkhoztsentr pointed out that labour in collective farms should be accounted and evaluated in work-day units. The decision of the All-Union Conference of Collective Farmers on Labour, held in January 1931, prohibited distribution of income according to the number of family members, land plots, etc. The share of income allocated to the collective farmers was distributed exclusively according to the quantity and quality of labour as expressed in work-day units. The conference recommended that piece-rate evaluation of each unit of work in work-day units should be implemented.

Of great significance for promulgating distribution according to labour done and for the further introduction of work-day units was the decision of the Sixth Congress of Soviets of the USSR (1931) On the Organisation of Collective Farms. The decision read that "the main and most harmful drawbacks in the work of collective farms in 1930 were, firstly, the distribution of collective-farm income not according to the quantity and quality of collective farmers' labour, but according to the number of family members; secondly, the inefficient and poor organisation of labour, especially during harvests". The Congress noted that the distribution according to the number of family members and not according to the quantity and quality of labour which occurred in several cases undermined the material incentive of collective farmers in the results of collective-farm production, drastically lowered labour productivity and led to violations of labour discipline.

The Congress stressed the significance of the distribution according to labour for the further growth of collective farms. Its decision said: "The distribution of collective-farm income according to the principle 'he who works more and better shall receive more, and he who does not work neither shall he receive anything' must become a rule for all collective farmers and collective farms. Correspondingly, piece-work evaluated in work-day units must be introduced on a mass scale in all basic types of farm work—ploughing, sowing, weeding, harvesting and threshing. On this basis alone

can labour discipline be strengthened and effective work on collective farms be organised."

The introduction of work-day units in collective farms was a major accomplishment of the Communist Party and the Soviet government in the organisational-economic consolidation of collective farms in the period of massive collectivisation. Piece-rate system was introduced rapidly and with success. The collective farms began to distribute their income in conformity with the economic law of distribution according to labour.

The experience accumulated by the Soviet Union saved the other socialist countries from the quest for the most proper forms of income distribution among co-operative members in the years when production co-operatives were established. From the start they adopted the principle of the distribution according to labour. The work-day unit became the basic form of labour remuneration of co-operative members in all socialist countries. All production co-operatives as soon as they were established usually set up the minimum number of work-day units to be earned by their members and adopted precise systems for their calculation.¹

At first, the production co-operatives paid only for work-day units actually earned. Gradually, as they grew stronger and gained experience, they began increasingly to bind the pay with the quality of work and the final results of labour contributed. In Bulgaria, for instance, after model output quotas and rates had been introduced in 1951, the decision of the Council of Ministers and the Central Committee of the Bulgarian Communist Party of April 24, 1954, recommended that the agricultural associations distri-

¹ The application of the Soviet Union's experience by the production co-operatives of the other socialist countries does not mean that they did not seek for specific forms of labour remuneration, which suited them best. Hungary and Czechoslovakia, for instance, initially adopted the hourly system of remuneration with a fixed hour-cash payments in the different branches of agricultural economy. But this system had to be discarded because of the lack of interconnection between labour remuneration and the quantity and quality of work performed. The co-operatives adopted the work-day unit.

bute income in accordance with the harvests collected by each brigade, and within the brigade, in accordance with the results of work (harvest) of each team. Later on, additional pay was widely introduced for overfulfilling plan targets on crop yields. This system was further improved in many co-operatives by making the pay dependent on income derived from marketing produce. This principle of payment stimulates the growth of output with lower costs. Bulgarian agricultural co-operatives have adopted a piece-rate system for groups and individual farmers as the basic form of labour remuneration in brigades and teams on quite a broad scale. The application of this system resulted in the assignment of definite acreages of land to individual members.

In Hungary, labour remuneration in many co-operatives varied not according to the unit of produce, but to the unit of net produce. In this instance, the amount of remuneration for the team depended on 100 or 1,000 forints of net income; inside the brigade, the distribution was made according to the personal output.

In Czechoslovakia, the Third Congress of Agricultural Co-operatives held in March 1957 recommended that the basic remuneration (in work-day units) should be made in accordance with tariff rates per unit of labour or produce and in accordance with the percentage of the fulfilment of plan targets. In cattle-breeding, payment was recommended in accordance with the tariff rates per unit of produce; in other branches, tariff rates per unit of produce or labour were suggested. In 1958, 91 per cent of agricultural co-operatives, specialising in crop-growing, applied tariff rates as the basic form of payment while the other co-operatives paid according to crop yields. Most of the co-operatives paid their cattle-breeders according to the tariff rates per unit of produce.

Some of the socialist countries have introduced additional payments (bonuses for overfulfilment of planned production assignments, for lowering fodder consumption per unit of produce, etc.) mostly in cash. In the GDR, for instance, the agricultural production co-operatives remunerate the labour of their members in work-day units, but they also

widely employ the system of bonuses as additional pay. The main principles underlying additional payments were adopted by the Third Conference of agricultural co-operatives in 1954. The conference also made recommendations for choosing one or another form of bonus awarding. In cattle-breeding, it was considered most effective to pay bonuses for the animals' gaining weight exceeding the planned and for improving the quality of products. In field-crop cultivation, additional pay was provided for the overfulfilment of the production and crop yields plan.

In 1961, it was additionally recommended that co-operatives disburse extra pay not only for overfulfilment of plans in field-crop cultivation and cattle-breeding, but also for high quality and completion of work in time. Special bonus funds were set up for this purpose replenished by deductions of 1-2 per cent from annual cash income.

One of the specific features of the distribution of the consumption funds in the co-operatives in the socialist countries during their emergence and growth was distribution of part of the income according to the land and amount of other means of production contributed to the co-operative along with distribution according to quantity and quality of labour done.

We have already mentioned the economic expediency and possibility of buying out some of peasant means of production during the establishment of co-operatives. There are various viewpoints concerning the economic and social nature of the relations of co-operative members in connection with the distribution of part of the consumption fund according to the land contributed. Some economists believe that such a distribution is the economic form of realising peasant land property, in other words that it is a ground rent. At the same time some are identifying this rent with the absolute ground rent.

It is well known that the distribution of part of co-operatives' income in accordance with the amount and quality of land contributed to the co-operative was engendered by the fact that the establishment of peasants' production co-operatives in a number of countries was carried out while private peasant property in land was still extant.

Whereas the nationalisation of all the land engenders alienation of land as the object of property from land as the object of economy both prior and after the collectivisation, the distribution of land into the property of peasants and the subsequent emergence of co-operative forms of property in land do not engender the above alienation. It exists in the state sector in agriculture based on the state nationalisation of land.

We believe that it would be untenable to approach the problem of the economic nature of land contributions in isolation from the obvious fact that there is no alienation of land as the object of property from land as the object of economy in the production co-operatives of the socialist countries, excluding the Soviet Union and Mongolia. The two categories of land are in the hands of production co-operatives. It is clear, therefore, that the differential income formed in production co-operatives through higher labour productivity cannot be turned into a differential form of ground rent since the economic cause for such a transformation does not exist. It would be even more wrong to speak about the formation of the absolute rent in co-operatives, a rent formed through the capitalist exploitation of other people's labour.

This throws light on the economic nature of land contributions. The latter cannot be a rent in essence, they are nothing but an economic form of the realisation of the Leninist principle that poor and middle peasants derived mutual advantage from joining the production co-operative. This principle has been realised more fully in the European socialist countries than in the USSR. There, the middle peasants, who had more and better land than the poor peasants, received a compensation out of social income, for when joining the co-operative, they handed over to it their allotments.

Prior to establishing production co-operatives, the middle peasant was better provided with land, draught animals and implements than was the poor peasant, he received higher yields and income. But when he joins the co-operative, given no compensation, he loses these advantages because of the equal terms for all—the former middle and poor

peasants—and because of the distribution of income according to the quantity and quality of labour. Engels said of the possible distribution in accordance with the number of land contributions: "The peasants of a village or parish... were to pool their land to form a single big farm in order to cultivate it for common account and distribute the yield in proportion to the land, money and labour contributed."¹

This income is not lifelong, it is fixed for a comparatively short time determined by the amount of income from commonly-owned economy and the size of land share (rather, the surplus exceeding average size). In other words, the share of land income which exceeded labour income, was determined completely by the goal of strengthening the co-operatives with due regard for the specificities of the given agrarian system preceding the massive production co-operation of middle and poor peasants. In its nature, the income according to land contributions represents a part of the necessary product allocated to each co-operative member irrespective of his labour (the non-labour income). At the same time, the income according to the land contributed includes a part of the necessary product allocated to each co-operative member for the actual results of his labour in the co-operative. The source of this income lies in the labour of all co-operative members who, therefore, decide on its size.

The role of incomes according to contributions of land and of other means of production falls with the development of co-operative commonly-owned economy, increased crop yields and productivity of animal husbandry, and higher profitability. At the same time, the role of remuneration according to the quantity and quality of labour grows.

The income according to land contributions dropped while the production co-operatives developed to higher forms of production co-operation. In the GDR, for instance, the type-1 agricultural production co-operatives are distributing 40 per cent of their consumption funds in accordance with the amount and quality of arable land contributed while 60 per cent are distributed according to the labour

done; type-2 APC are distributing accordingly 30 and 70 per cent of income; and type-3 APC are distributing 20 and 80 per cent of income, correspondingly.

A similar process is taking place in Hungary, Poland and some other socialist countries. In Czechoslovakia, for example, the type-2 agricultural co-operatives were distributing no more than 20 per cent of income in accordance with land contributions, while type-3 co-operatives introduced distribution according to labour as early as during the years of establishing co-operatives.

In Bulgaria, most of the agricultural associations in the first years of their existence distributed their income in accordance with the amount and quality of land contributed, but later on, as the co-operatives grew stronger, the share of income allotted for this purpose reduced, and, beginning with 1959, the income was only distributed according to labour done.

Thus, in spite of all the peculiarities in distribution connected with the existence of private peasant property in land in some socialist countries, they too are gradually introducing distribution according to labour only. Though there are many specific forms of distributing according to labour, all have one feature in common: continuing improvement so as to implement more fully Lenin's principle of material incentive of co-operative members in the development of social production.

¹ Karl Marx and Frederick Engels, *Selected Works*, Vol. 3, p. 470.

CONCLUSION

The socialist transformation of agriculture through massive drawing of peasant households into production co-operatives entails a revolutionary upheaval, a qualitative leap from petty, dispersed and not efficient peasant farming to large-scale, highly efficient socialist farming. The tremendous significance of establishing peasant co-operatives for the future of socialism can be traced from the experience of the USSR which has already built socialism and is now on the way to communism.

All-round collectivisation in the USSR helped to solve the fundamental problems of socialist construction. First, new socialist production relations exercise complete sway in agriculture and reflect the co-operation and mutual assistance of toilers free from exploitation. The collective farms which emerged in the countryside are founded on kolkhoz (collective farm) property in the means of production and the output itself. All peasants-collective farmers stand in an equal position in respect to the social means of production; no one personally owns the basic means of production and, consequently, no one can use them for exploiting other people's labour. Socialist form of distribution of material benefits based on the principle "from each according to his ability, to each according to his work" corresponds to the new property relations in the collective farms.

The new organisation of labour and the democratic system of management reflect the new relations between kolkhoz

members in respect to the means of production and are important components of the socialist production relations in collective farms.

The socialist transformation of the countryside extended the sphere of operation of the basic economic law—the law of the planned (balanced) development of the economy—and the other economic laws of socialism, by including agriculture in its compass. This means that spontaneity in the economic relations in the countryside gave way to the balanced organisation of agricultural production so as to satisfy the material and cultural needs of all members of society, including the collective farm peasantry.

Second, kulaks—the last and most numerous class of exploiters in the countryside—were completely eliminated due to the absence of the source that engendered them—the petty-commodity production. Thus, the question of "who will get the upper hand" in the countryside was decided in favour of socialism.

The collectivisation of agriculture not only established new, socialist production relations in the countryside, but also eliminated all possibilities for the development of capitalism in the country as a whole.

Third, the contradiction between large-scale socialist industry and petty individual peasant farm was solved. Socialist production based on the social ownership of the means of production began to develop both in town and countryside.

The transition from petty individual farm to large-scale socialist production, and from individual labour to collective labour employing modern machinery signalled the elimination of the diversity of economic bases of the development of town and countryside. Agriculture began to advance in conformity with the laws of socialist extended reproduction; an objective foundation was laid for the further growth and improvement of socialist production and production relations in the countryside. The deep socio-economic transformations in the countryside and the rising cultural and technical level of the collective farm peasantry contributed to the formation of the socially homogeneous structure of the Soviet society.

Fourth, the victory of the collective farm system and the change in the property relations radically changed the class nature of the peasantry and the peasants' position in production. The Soviet peasantry has developed into a new class qualitatively different from the pre-revolutionary peasantry. The mass of petty commodity producers in the countryside, who generated capitalist elements, gave way to a class unified and organised by the socialist production itself based on social property.

Fifth, the collectivisation completely wiped out the antithesis between town and countryside, the basis of which was undermined by the October Revolution.

The triumph of the socialist mode of production in agriculture meant that collectivisation brought the production relations in agriculture into harmony with the productive forces in the national economy as a whole. The new production relations in the countryside cleaned the way for further development of the whole economy and, primarily, for a mighty upsurge of productive forces in agriculture.

The socialisation of the means of production through establishing production co-operatives provided objective conditions for the technical rebuilding of agriculture and ensured the continual growth and improvement of kolkhoz production on the basis of modern machinery. In the course of the first and second five-year plans, the socialist transformation of the countryside helped to carry out, in the main, the technical rearmament of agriculture. Leaning on the successes gained in the country's industrialisation, the Soviet state provided agriculture with tractors, combine harvesters and other modern farm machines. As a result, a new material and technical basis of agriculture was established.

The collective farm system, born of Lenin's co-operative plan, stood all the tests successfully. It proved its viability and strength most strikingly during the Great Patriotic War. Though the enemy occupied some of the most important agricultural areas in the country and though there was a sharp shortage of qualified manpower, the collective farm peasantry worked selflessly and provided the armed

CONCLUSION

forces and the home front with food, and the industry with raw materials.

However, the war's aftermath, and also the errors and shortcomings in the management of collective and state farms impeded the development of agriculture.

The Party exposed the causes leading to the drop in the rates of agricultural growth; it worked out and carried out measures which secured a 56 per cent increase in the gross output by 1958 as compared with 1940. But later on, the rates of agricultural growth dropped once again. In view of this, the CPSU worked out science-based measures for rapidly boosting agricultural production. Of great significance in this respect were the decisions of the Plenary Meeting of the Party's Central Committee in March 1965. Reflecting the fundamental interests of the working class and the collective farm peasantry, these decisions were based on the objective laws of socialism. The Party determined that the improvements of planning and the system of procurements in agriculture, reinforcement of the material and technical basis of agriculture, strengthening of the economic methods of management in agricultural production and the greater importance of agricultural science and specialists are to play the most important role.

The March Plenary Meeting focused attention on the need to raise the material incentive of collective farms and state farms in increasing the output and their sales of farm products to the state.

Relying on the Marxist-Leninist theory of reproduction which treats production and circulation spheres in their organic unity, the Party has worked out a new policy of procurements. The March Plenary Meeting drew up a stable plan for the procurement of grain, meat and milk during the five-year period, and adopted a system of incentives for grain procurements in excess of the plan. This all meant a new approach to planning and to the material stimulation of agricultural workers.

Thus, the Central Committee of the CPSU has found new concrete forms of implementing Lenin's principle of material incentive and establishing economic ties between town and

countryside in line with the modern conditions and possibilities of socialist reproduction.

The historic significance of the March (1965) Plenary Meeting of the CC CPSU lies in that it initiated a new course in agricultural development. In the subsequent decisions of the May (1966), October (1968), and July (1970) Plenums of the CC and the 23rd and 24th Congresses of the CPSU the Party set out an agrarian policy which corresponded to the period of developed socialism and the tasks of creating the material and technical basis of communism.

The Party's agrarian policy is aimed both at further improving socialist production relations and developing socialist productive forces. In his address at the celebrations in Alma Ata to mark the 20th anniversary of the opening up of the virgin lands Leonid Brezhnev showed that one of the main trends in the Party's agrarian policy at the present stage was "to create and improve such a system of economic relations, such conditions which would provide material incentives for agricultural workers in increasing production and ensure the further economic consolidation of the collective and state farms". Another important trend in the agrarian policy underlined by Leonid Brezhnev was "to switch agriculture to a modern industrial basis and to resolutely speed up scientific and technological progress in this sphere of the economy".

The implementation of the CPSU's agrarian policy has led to substantial quantitative and qualitative changes in agriculture. Thus, whereas in the period 1961-1965 the average yearly volume of gross agricultural production amounted to 66,300 million rubles, over the eighth five-year plan (1966-1970) it came to 80,500 million rubles; in the first three years of the ninth five-year plan it went up by another 9,000 million rubles to reach 89,500 million rubles (in 1973—96,300 million). If the increment in gross production during the seventh five-year plan over the previous one amounted to 35,700 million rubles, then during the eighth five-year plan it came to 71,000 million rubles. In other words, the increment rates have almost doubled.

This rise in volumes and rates was achieved mainly

thanks to higher crop yields, an increase in the productivity of livestock and poultry and in labour efficiency.

The social relations in the countryside are currently undergoing further improvement. It goes along the line of the fullest development of both the collective and state farm forms of socialist production.

It has been proved both in theory and in practice that the collective farm production, born of the establishment of production co-operatives and founded on the co-operative-kolkhoz form of socialist ownership, can be successfully utilised in the period of communist construction as well.

Collective farm production is a form of commonly-owned economy with a great potential for the development of productive forces, and therefore any opposition of co-operative-kolkhoz to state form of socialist ownership is inadmissible. The distinctions between them in the degree of the socialisation of the means of production and of labour will gradually be eliminated as productive forces develop and production relations improve. Experience shows that one or another form of social production cannot be abolished by administrative measures. Every social form of economy makes headway until it completely exhausts its potential for the development of productive forces. Consequently, further improvement of social relations in the countryside will be posited on the optimal development and combination of kolkhoz and state farm forms of social production.

Since the agricultural artel creates, and will continue to do so for a long time, favourable economic opportunities for the harmonious combination of the social and personal interests of collective farmers, it is necessary to work out a correct attitude towards their supplementary individual farming. Personal plots are economically expedient because they still conform with the needs of collective farm families. Therefore, all attempts to step up their socialisation by administrative measures can only harm the collective farms and the state. The Programme of the CPSU says: "At a certain point the collective production at kolkhozes will achieve a level at which it will fully satisfy members' requirements.

On this basis, supplementary individual farming will gradually become economically unnecessary."¹

The Communist Party has posed the task of erasing the socio-economic and cultural distinctions between town and countryside. The economic basis for resolving this task is the all-round development of the productive forces in collective and state farms, continuous increases in labour productivity in agriculture, full mechanisation of all farm work turning the work of collective farmers and state farm workers into a variety of industrial work. The changing character of agricultural production will gradually transform the entire mode of life in the countryside.

Guided by the programme for building communism in the USSR, the CPSU pays constant attention to the need to raise the general, cultural, technical and political level of collective farm peasantry. The network of general education schools, cultural and educational facilities, children's institutions, is being expanded in the countryside.

The universal literacy of the rural population is an important indicator of the growth of the cultural standards in the Soviet countryside. A great number of members of the rural intelligentsia is selflessly working in the villages.

The incomes of collective farmers are continually rising. Many of them are now earning as much as industrial workers.

The granting of pensions for collective farmers is another vivid illustration of the Party's and the Soviet Government's concern for the welfare of the rural population. Nearly 8 million collective farmers received pensions as of January 1, 1965. Now, of course, the figure is much higher.

The Communist Party regards the further growth of socialist agriculture and collective farms, and the improvement of state farm production as a national cause of prime significance. The accomplishments already made have resulted from the consistent implementation (since October 1917) of the Party's policy drawn up by Lenin.

The Soviet experience in solving the peasant question is of great international significance. The experience of building socialism and communism shows that the socialist transformation of the countryside by drawing the peasants

¹ *The Road to Communism*, Moscow, 1962, p. 530.

into production co-operatives is the only possible and correct way for creating socialist relations and ensuring the victory of socialism in the countryside. This road opens up broad vistas for the development of productive forces, for the constant and steady growth of material and cultural standards of the peasantry. This is the only correct way for gradually turning the toiling peasant into a full-fledged member of communist society.

The collective farm system is a great historic accomplishment of the Communist Party, of the whole Soviet people. It plays a tremendous role in the life of the Soviet peasantry and the whole country. This has been once again corroborated by the Third All-Union Congress of Collective Farmers held at the end of November 1969 in Moscow. The congress summed up the results of the nation-wide discussion of the draft of new Model Rules for Collective Farms. Actually, the discussion itself summed up the results of the achievements made by collective farms since 1935 when the Second All-Union Congress of Collective Farmers approved the previous Model Rules. Ever since that time, the kolkhoz system made headway on the basis of the Rules of 1935, the economic forms and methods of managing the commonly-owned economy of collective farms were being improved. Those were the years of remarkable achievements by the collective farm system that led the peasantry to the road of socialism and communism. Addressing the Third All-Union Congress of Collective Farmers, L. I. Brezhnev said:

"The tremendous historical role of the collective farm system in the destinies of the Soviet peasantry and of our entire country cannot be overestimated.

"Politically, the collective farm system strengthened the Soviet state and its main basis, the union of the workers and the peasants, and ensured real conditions for the participation of the peasants in the management of social production and in decisions on general affairs of state.

"Economically, the collective farm system placed at the service of socialism and communism the advantages of large-scale production and made it possible to develop agriculture on a modern industrial basis.

"Socially, the collective farm system not only delivered the working peasant from exploitation and poverty, but also made it possible to establish in the countryside a new system of social relations which lead to the complete obliteration of class distinctions in Soviet society."¹

The nation-wide discussion of the new draft Rules and the speeches made by delegates at the congress helped to uncover the new traits in the socio-economic life of collective farms and to incorporate them in the new Model Rules for Collective Farms. First of all, it concerns the social relations established in the countryside since the birth of collective farms, and their further development during the years when the material and technical basis of communism was being created. The new Rules established the principal ways for utilising the opportunities and advantages of a large-scale collective production in the interests of the entire socialist society, as well as for the greater satisfaction of the growing material and cultural requirements of the collective farmers. The new Model Rules contain organisational and legal prerequisites for the implementation of the decisions of the CPSU concerning the new system of planning, economic stimulation of the production and procurement of farm produce. All this will help to make the best use of land, machines and manpower in collective farm production.

The Rules reflect the further development of the socialisation, concentration and specialisation of agricultural production ushering in changes in the property relations in collective farms. This latter has found expression in the organisation of inter-kolkhoz and state-kolkhoz specialised enterprises, organisations and associations, and also in setting up of auxiliary enterprises on collective farms.

While giving priority to the consolidation and development of commonly-owned economy, the new Rules stress that this issue is tightly connected with the task of most fully satisfying the requirements of collective farmers. This finds expression in the need to combine accumulation and consumption correctly in income distribution. The Rules fix a stable order for the formation of production, insurance,

cultural and other funds in collective farms. While underlying the great significance of accumulation for extended reproduction, the Rules draw attention to the consumption fund as the basis for reproducing the work force and raising the professional skills and technical level of collective farmers. According to the new Rules the most important component of the consumption fund—the labour remuneration fund—is to be given priority. Thus, the principles of distribution envisaged by the new Rules ensure a correct correlation and interconnection between social and personal material incentives of collective farmers. Great significance is attributed to the social consumption funds, the improvement of social security and insurance, and the pension system.

In listing the rights and duties of collective farmers, the Rules place heavy accent on industrious work in social production. On the other hand, the Rules say that all collective farmers have the right to work in the commonly-owned social economy and to guaranteed pay. The introduction of guaranteed pay was a major step forward in the development of socialist production relations in the kolkhoz sector.

The new Rules no longer divide the social means of production into indivisible funds and membership contributions, because the socialisation of peasant means of production has long been completed. The most important point of principle for the definition of the socio-economic character of the modern collective farm is the provision in the Rules saying that fixed and circulating production assets are indivisible. They are not liable to distribution among the collective farmers and they are to be used only for special purposes.

The Model Rules envisage measures for restricting excessive enlargement of personal holdings and also for preventing the abolition of personal holdings, which is fully in compliance with the role of supplementary individual farming in the life of collective farmers. The Congress proceeded from the actual situation and specific conditions in the various republics and natural-economic zones.

The Rules envisage steps for the further development of kolkhoz democracy; if the general meeting finds it necessary,

¹ L. I. Brezhnev, *Following Lenin's Course*, Moscow, 1972, p. 235.

open ballot can be replaced by secret ballot in the election of the leading bodies of collective farms.

The new Rules stress the right of collective farms to join unions or associations. This provision reflects the development of various forms of inter-kolkhoz production relations.

The adoption of new Rules and the implementation of a whole series of other organisational measures stem exclusively from the significance which the CPSU attaches to perfecting forms of organising production and improving the management of agriculture as an important trend in the Party's agrarian policy at the present stage.

The implementation of the Party's programme for the further development of agriculture is a cause of the whole people. L. I. Brezhnev said at the 24th Congress of the CPSU that the implementation of this programme "will amount to an increase of farm production enabling us systematically to expand and improve in the years to come the supply of the population with farm produce and of industry with raw materials. While dealing with the current tasks, we must at the same time take a big step forward in the new five-year period in building up the material and technical basis of agriculture, which will help us in the future to resolve completely the problems of agricultural production and of the transformation of the countryside, and to reduce the dependence of farming on the elemental forces of nature".¹

REQUEST TO READERS

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¹ 24th Congress of the CPSU, p. 58.